FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 157 *12 August 1980*

ARGENTINA

British Trade Minister Arrives for Talks B 1
Conclusion of Visit B 2
HERALD Managing Editor Receives Threatening Phone Call [HERALD 9 Aug] B 3
News Editor Also Threatened [HERALD 10 Aug] B 3
Navy Officer Returns From Visit to U.S. B 3

BOLIVIA

Gueiler Reportedly To Leave for Europe 13 Aug C 1
Foreign Minister Says Siles Zuazo May Leave C 1
Brazilian Embassy Grants Asylum to Siles Zuazo's Wife C 1
Three Others in Embassy C 1
Garcia Meza Orders Demolition of COB Headquarters C 2
Clandestine Publication Reports Deaths, Executions C 2
Paz Zamora Outlines Objectives of Clandestine Government [Paris LE MONDE 10-11 Aug] C 3
Briefs: Oil Contract; Gas Sales to Argentina; Balance of Payments Figures; Mining Production C 4

BRAZIL

Minister Cals Confirms Dismissal of Two Colonels [O ESTADO DE SAO PAULO 7 Aug] D 1
Fiat Workers Sign Agreement, Return to Work [O GLOBO 6 Aug] D 1

CHILE

Text of Pinochet Address on New Constitution E 1
Peruvian Foreign Minister Foresees Better Relations E 6
Government Blames Renegade Policemen for Abductions E 6
British Trade Minister Arrives for 5-Day Visit E 7
Briefs: Petroleum Production; Inflation Rate; Unemployment Figures E 7

COLOMBIA

Five Soldiers Resign To Protest Tortures F 1
Court-Martial Possible F 1
Ecuadorean Delegation To Arrive for Oil Talks F 1

ECUADOR

Roldos Gives State of Nation Address G 1

PERU

Transportation Minister Submits Resignation J 1
Police Arrest Terrorists in Ayacucho Department J 1
Foreign Minister: Bolivia Will Not Be ALADI Topic J 1

PANAMA

Letter Criticizes Torrijos on Human Rights [LA PRENSA 10 Aug] N 1
CRITICA Views Rise in Support for Communists [11 Aug] N 1
PLA Leader Barletta Charged With 'Political Treason' [CRITICA 9 Aug] N 2
Director Calls For Review of Aviation Agreement With U.S. N 2

CENTRAL AMERICA

COSTA RICA

Nicaraguan Officials Arrive for 2-Day Visit P 1
First Work Session P 1
Ortega on Elections, Bolivia P 2
Cruz on Subversion, Oil P 3
Cordova on Revolution's Achievements P 4
Public Security Minister Denies Report on Guerrillas P 4
Carazo Foreign Policy, 'Intervention' Criticized P 5
[LA NACION 6 Aug]
Ten Nicaraguans Defect From Sandinist Army P 5
Briefs: Romanian Mining Assistance; Trade With Romania P 6

EL SALVADOR

Apostolic Administrator Decries Existing Violence P 6
Army Coordinating Peasant Refugees' Return Home P 7
[LA PRENSA GRAFICA 29 Jul]
Epidemic Spreads Among Refugees in Eastern Region P 7
[EL DIARIO DE HOY 10 Aug]
LP-28 Members Occupy Town, Demonstrate Weapons Use P 8

GUATEMALA

British Minister Ridley Arrives for 3-Day Visit P 8
Guatemala To Forgo Managua Foreign Ministers' Meeting P 9
President Lucas Dedicates Free Zone in Izabal P 9
Guerrilla Camp Discovered, 10 Killed in Clash P 9
Refugees Arrive in Quiche; Clergy Departs en Masse P 10
Briefs: New Health Centers P 10

HONDURAS

Committee Asks for Camps for Salvadoran Refugees P 10

NICARAGUA

Managua's Archbishop Stresses Need for Democracy P 11
PCD Leader Discusses Current Political Situation P 11
[LA PRENSA 4 Aug]
'Counterrevolutionaries' Attack INRA Facilities P 14
Anti-Sandinist Forces Reportedly Receive Somoza Funds P 14
Murderer of Literacy Worker Sentenced to 30 Years P 15
Two Soviet Technicians Killed in Separate Accidents P 15
Briefs: Ambassador to Brazil; New Polish Ambassador; P 15
Coffee Rust Danger

CUBA

Havana Reports Departure of Hijacked U.S. Airliner Q 1
Twenty More Leave U.S. Interests Office in Havana Q 1
Havana Cites Reasons for Carter's Decline in Polls Q 1

CARIBBEAN

CARICOM Council of Ministers Suspends Summit Plans S 1
[Bridgetown ADVOCATE-NEWS 2 Aug]

BARBADOS

Lord Carrington Offers Aid To Fight Subversion S 1
[ADVOCATE-NEWS 3 Aug]

JAMAICA

Manley Delivers Independence Day Message S 3
[SUNDAY GLEANER 3 Aug]

OTHER COUNTRIES

INTER-AMERICAN AFFAIRS

Regional Ministers Hold First ALADI Meeting V 1

VENEZUELA

Unofficial Sources See Probable Cabinet Reshuffle V 1

MEXICO

Lopez Portillo Meets Belize's Price, Promises Support V 1
[Havana]

BRITISH TRADE MINISTER ARRIVES FOR TALKS

PY111809 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1422 GMT 5 Aug 80

[Text] Buenos Aires, 5 Aug (NA)--The British minister of state for trade, Cecil Edward Parkinson, who today starts an official visit to Argentina, has stated that "we wish to begin a stage for the exploitation of resources throughout all of Argentina, not necessarily in the 'Malvinas' Islands."

Parkinson arrived this morning at Ezeiza Airport where he released a written declaration in which he expresses his belief that in view of the many years that have gone by since the last visit of a British minister, his presence here could determine that "the upcoming years will be the start of a more stimulating period in our relations as countries with an important trade exchange."

Parkinson, who will remain in Argentina until next Sunday, also states in the written document released upon his arrival that "the level of trade between our countries during the past few years has not been as high as we could have wished," but he stressed that "current circumstances are appropriate for stimulating our trade relations."

The minister states in the document that "I am convinced Great Britain can offer a lot to Argentina, especially in the field of advanced technology such as energy, communications, transport and minerals," and he also says that "I also know that Argentina has much to offer Great Britain."

The minister, who during his visit plans to meet with Economy Minister Jose Martinez de Hoz and other economy officials, was asked at Ezeiza Airport about the possibility of Argentina and Great Britain jointly exploiting the economic resources of the Malvinas Islands, but he was not precise in his answer.

Parkinson stated that "we wish to start a stage for the exploitation of resources throughout all of Argentina, not necessarily in the 'Malvinas' Islands," and he added that "it would be a stage in which we can help Argentina a lot because we have the best experts and resources in the world for the exploitation of oil and for energy resources of every type."

Asked if he believes economic complementarity could be a channel for achieving a solution to the problem of sovereignty over the Malvinas Islands, Parkinson answered that "the problem is being dealt with, there has been a very successful meeting, another is being prepared and I see very favorable prospects for a solution."

On being invited to given an opinion on the Argentine economic plan, the British official said that "I know and admire the way in which the economy is being opened up, increasing imports and exports which is the way to develop trade and industry."

Regarding the possibility of a new investment of British capital in Argentina, he indicated that "Great Britain at this time is in second place as an investor in Argentina" and he revealed that "there are many British investors interested in the mineral sector and in exploring the possibilities in industrial and energy development."

Answering a question, he acknowledged, finally, that there is a recession in Europe, but he indicated that "at the same time there are many opportunities and trade among European countries is very large." He concluded that "we must avoid placing barriers that will stop free trade between two parties because they are the greatest enemy of the development of trade."

Parkinson is here heading a delegation that includes private firm directors such as E. Bates, vice president of Plesey Electronic System; R. J. Downing, executive director of Hawker Siddley International; C. R. Armstrong, manager of Lloyds Bank International; and H.W. Jackson, director of the electric company [as received].

The statement he released on arrival indicates that he is "anxious" to meet Minister Martinez de Hoz and other officials and to "talk with businessmen and see something of the country."

Conclusion of Visit

FY111828 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2255 GMT 8 Aug 80

[Text] Buenos Aires, 8 Aug (NA)--British Trade Minister Cecil Parkinson stated today that his country plans to "do everything possible" to increase trade between the two countries and reaffirmed that "relations with Argentina are improving." He also said that the British businessmen currently visiting Argentina "have the full support" of their government, and indicated that all negotiations are aimed at increasing trade and bringing British capital to Argentina.

Parkinson concluded his official visit to Argentina tonight by holding a press conference at which he expounded on bilateral relations. In the morning he went to government house to pay his respects to President Jorge Videla accompanied by British Ambassador Anthony Williams, Planning and Economic Coordination Secretary Guillermo Walter Klein, and Trade and International Economic Negotiations Secretary Alejandro Estrada. In turn, Ambassador Williams told journalists who asked him about the Malvinas Islands issue that "we hope to resolve this problem among friends."

Minister Parkinson said that during his talks with President Videla, the latter outlined the future prospects of the country and "welcomed the opportunity to begin improving relations between the two countries" after what he called "a cloudy period in our relations."

Parkinson also discussed the recent visit Argentine Economy Minister Jose Martinez de Hoz paid to Great Britian, a visit which "has been welcomed as evidence that our relations are improving."

In response to another question, Parkinson reported that Wimpey Appedore Ltd of England is interested in the project to build a shipyard north of Puerto Madryn, and that "great progress" has been made in this regard.

Parkinson announced that this year's bilateral trade will amount to between $350 and $400 million worth of Argentine exports to the United Kingdom and a similar amount of British exports to Argentina.

At this point Secretary Estrada told journalists that in 1979 while imports from that country totaled $260 million, and indicated that a significant increase had taken place during the first 4 months of this year. He also pointed out that most of the increase of imports from Great Britain is taken up by capital goods, especially machinery, tools and equipment in general.

Asked about the Malvinas issue, Ambassador Williams said: "We launched talks in April. This is the first stage of contacts between the two governments. We hope that the atmosphere now surrounding these talks will be maintained in the future." The diplomat added that "what we have managed to accomplish during our first contacts allows us to believe that there are grounds for optimism regarding the future of these talks. There is nothing new so far, but we believe that mutual understanding can lead to useful and practical results in this problem, which we hope to resolve among friends."

HERALD MANAGING EDITOR RECEIVES THREATENING PHONE CALL

FY111301 Buenos Aires HERALD in English 9 Aug 80 p 9

[Text] The managing editor of the HERALD, Ronald Hansen, was threatened yesterday by an anonymous woman telephone caller who claimed to belong to the Montoneros organization.

She said that as HERALD editor James Neilson had not obeyed their instructions, it was Hansen's turn now, and that he must "leave the paper" or face reprisals "at home or on the way to the office."

News Editor Also Threatened

FY110302 Buenos Aires HERALD in English 10 Aug 80 p 11

[Excerpts] In a continuing terrorist-style campaign against this newspaper, HERALD news editor Dan Newland last night received a telephoned threat from a woman caller who claimed to be a member of the Montoneros extremist organization.

The woman, who appeared to be reading the same prepared threat received by Managing Editor Ronald Hansen last Friday night, warned Newland that he faced reprisals if he continued to work at the HERALD.

The new threat appears to be part of a campaign aimed at driving editorial policy-setters out of the HERALD--a campaign which began with death threats against Editor-in-Chief Robert Cox and his family last year, continued with threat and harassment against editor James Nielson and his family earlier this year and has now gone on down the list of top HERALD editorial personnel to include Hansen and Newland.

NAVY OFFICER RETURNS FROM VISIT TO U.S.

FY080250 Buenos Aires TELAM in Spanish 1900 GMT 7 Aug 80

[Excerpts] Buenos Aires, 7 Aug (TELAM)--Rear Adm Juan Jose Lombardo, chief of Naval operations, today expressed his absolute confidence that the United States will revise its position regarding arms sales to Argentina. He made this statement at Ezeiza Airport on returning from the United States with other high-ranking navy officers.

Rear Admiral Lombardo returned today with Rear Adm Gualter Allara, intelligence chief of the navy staff, and Rear Adm Carlos Bonino, naval attache at the Argentine Embassy in the United States. Lombardo and Allara visited the United States for several days. Lombardo described the visit as part of the periodic visits exchanged by members of the two navies to maintain close ties within a strictly professional framework.

Regarding the U.S. position on arms sales to Argentina--which were discontinued a few years ago by virtue of the Humphrey-Kennedy Amendment--Lombardo said the U.S. position will be revised because it is legal to do so annually. He made it clear, however, that he does not know what will come of that revision, which will be made before May, that is, close to the end of the U.S. legislative session.

Regarding the suspended visit of Assistant Secretary William Bowdler to Argentina, Lombardo said that despite the postponement of his visit, overall U.S.-Argentine relations are moving forward. He made it clear, however, that their visit was kept within a professional framework.

GUEILER REPORTEDLY TO LEAVE FOR EUROPE 13 AUG

PY120047 Paris AFP in Spanish 2330 GMT 11 Aug 80

[Text] La Paz, 11 Aug (AFP)--Sources close to former President Lidia Gueiler Tejada stated here today that the former Bolivian president will leave next Wednesday for Europe, making a stop in Miami. Col Mario Escobari Guerra, secretary general of the presidency, stated on this subject that Gueiler has the privilege of leaving the country at any moment because she has all the necessary documents.

It has also been learned that the former president will leave the country in the company of two aides de camp and her grandson. Meanwhile, she is still residing at the Apostolic Nunciature in La Paz.

FOREIGN MINISTER SAYS SILES ZUAZO MAY LEAVE

PY120044 Buenos Aires TELAM in Spanish 2300 GMT 11 Aug 80

[Text] Montevideo, 11 Aug (TELAM)--Bolivian Foreign Minister Javier Cerruto Calderon confirmed here today that the Bolivian Government has agreed to let former President Lidia Gueiler and presidential candidate Hernan Siles Zuazo leave the country.

In answer to a journalist's question, the Bolivian minister, who is in Montevideo attending the inaugural session of the Latin American Integration Association (ALADI), stated that former provisional President Gueiler is still residing at the Apostolic Nunciature in La Paz, and that she will be able to leave for Paris, on a visa granted by France.

Cerruto Calderon also stated that former President Hernan Siles Zuazo may also obtain permission to leave the country if he wants to, if he presents a petition from his place of refuge in one of the embassies in La Paz.

BRAZILIAN EMBASSY GRANTS ASYLUM TO SILES ZUAZO'S WIFE

PY120021 Brasilia Domestic Service in Portuguese 2200 GMT 11 Aug 80

[Text] Itamaraty spokesman Bernardo Pericas reported today that the Brazilian Embassy in La Paz has granted diplomatic asylum to Maria Teresa Ormachea de Siles Zuazo and Maria Isabel Siles Ormachea. The women are the wife and daughter, respectively, of former Bolivian presidential candidate Hernan Siles Zuazo.

Three Others in Embassy

PY120022 Buenos Aires LATIN in Spanish 2310 GMT 11 Aug 80

[Text] Montevideo, 11 Aug (LATIN)--Diplomatic sources today stated that Bolivian Foreign Minister Javier Cerruto Calderon has assured his Brazilian counterpart, Ramiro Saraiva Guerreiro, that he will decide favorably on the three persons who have sought asylum at the Brazilian Embassy in La Paz.

The three persons who sought asylum after the 17 July military coup that installed Gen Luis Garcia Meza as head of a military junta in Bolivia would be a son of a former President Walter Guevara Arze, a former president of the Mining Corporation of Bolivia [Corporation Minera Boliviana] and a former senator, the sources added.

Cerruto Calderon and Saraiva Guerreiro discussed this subject during a break in the foreign ministers meeting that is taking place in Montevideo to create the Latin American Integration Association (ALADI).

GARCIA MEZA ORDERS DEMOLITION OF COB HEADQUARTERS

PY111756 Buenos Aires TELAM in Spanish 2020 GMT 10 Aug 80

[Excerpts] La Paz, 10 Aug (TELAM)--The demolition of the Bolivian Labor Federation (COB) headquarters will begin tomorrow following specific instructions from Bolivian President Gen Luis Garcia Meza.

It has also been officially reported that on the same day inspection and confiscation operations will be carried out in printing shops throughout the country because it has been detected that some of them are publishing subversive material, which will be seized.

It was also announced that the punishment will be increased for those who aid and abet those responsible for false rumors disseminated by extremists to the effect that there is resistance against the process of national reconstruction.

It was also reported that the names and total number of prisoners by department will be released in the next 24 hours, and that a representative of the Bolivian Episcopate has been given written permission to visit the prisoners at the various prisons. It was also disclosed that all but one imprisoned priest have been released.

The interior minister has announced that the condition of the prisoners is being studied case by case to learn if they have been involved in criminal actions or not. Should their guilt be proved, they will be punished in accordance with the laws in force. Otherwise they will be released at the end of the investigation.

In the meantime, the secretary general of the Bolivian Episcopate recently issued a communique stating that the interior minister has given written permission to a representative of the Episcopate allowing him to visit all the prisoners held at the various prisons throughout the country to give them material and spiritual assistance.

The communique also reported the release of all arrested priests with the exception of Julio Tumiri, who was the president of the Bolivian Permanent Assembly for Human Rights. It further stated that the interior minister has guaranteed that neither priests nor nuns will be arrested, and parish houses and other religious buildings will not be entered without first discussing the case with the appropriate bishop or superior.

The communique concluded by stating that the episcopal conference has created a bureau to help the prisoners and their relatives and has called an unscheduled plenary meeting of the Bolivian Episcopate.

CLANDESTINE PUBLICATION REPORTS DEATHS, EXECUTIONS

PY111801 Paris AFP in Spanish 1405 GMT 10 Aug 80

[Text] Stockholm, 10 Aug AFP)--According to the clandestine newspaper BOLIVIA LIBRE, received here today, approximately 3,000 miners appear to have died during the fighting that occurred after the military coup d'etat. The Broderskap (Fraternity) Movement, which groups together Swedish Christian Social Democrats, received an issue of the newspaper dated 28 July 1980.

According to BOLIVIA LIBRE, 200 persons were executed in La Paz on the day the newspaper was published. The newspaper, which is close to the party of Hernan Siles Zuazo, whose assumption of the government was stopped by the coup, also indicates that armored units in La Paz refused to participate in the military revolt.

The newspaper reports that the prefect of Santa Cruz helped a certain number of people who oppose the new regime to leave for Paraguay.

The Broderskap Movement indicated that during its congress last week, it received a telegram of greetings from the clandestine Bolivian government headed by Siles Zuazo.

PAZ ZAMORA OUTLINES OBJECTIVES OF CLANDESTINE GOVERNMENT

LD111409 Paris LE MONDE in French 10-11 Aug 80 pp 1, 3

[Jean-Claude Buhrer undated Washington interview with Bolivian opposition leader Jaime Paz Zamora: "Bolivia After the Coup"]

[Text] Jaime Paz Zamora, who was candidate for the vice presidency of the center-left coalition which won the 29 June election has been put in charge of its international relations by the clandestine national unity government recently formed by Mr Hernan Siles Zuazo.

Mr Paz Zamora's presence in Washington is a result of an outrage. On 2 June, he was on board a small aircraft, by which Mr Siles Zuazo was also to travel, which crashed on takeoff from La Paz. Of its six passengers only Mr Paz Zamora survived, by managing to jump out of the aircraft. Badly hurt, he was taken to a hospital in Washington, where he learned about the coup.

Prior to a visit to Ecuador and, later, visits to a number of Latin American and European capitals, Mr Paz Zamora explained to us the objectives of the Bolivian clandestine government.

"By forming a national unity government," he stated, "we want to keep our promises and carry out the mandate with which the Bolivian people entrusted us at the time of the 29 June election. This mandate is very clear--it expresses the people's desire to live under a democratic regime under the leadership of a Democratic and Popular Unity (UDP) government which they have freely elected. However, as a result of the military coup, the clandestine national unity government has now been established on much broader bases than a UDP government would have been if the democratic process had been respected."

"The underground government," he added, "is supported by the majority of political parties which were represented in parliament following the 29 June election.

"In other words, we represent constitutional continuity. Acting President Mrs Gueiler could submit her resignation only to the congress, which elected her for a period ending on 6 August.

"Furthermore, the national unity government is supported by a section of the business circles, certain sections of the armed forces and, above all, the trade union organization. It is also supported by most students and university professors. Our main objective is to restore national unity with a view to restoring democracy."

[Question] Are certain governments prepared to recognize the clandestine government?

[Answer] We have already received some proof of support which could lead to recognition in the near future. The countries concerned include Nicaragua, Grenada, Ecuador and Panama and, to some extent, also Mexico, Costa Rica, Columbia, Venezuela and Jamaica. The Spanish and West German Governments are also well disposed toward us.

[Question] Does a feeling of frustration not prevail among the population in view of the political parties' inability to ensure respect for election results?

[Answer] Undoubtedly, but I believe that the UDP has shown itself able to create political and social bases for what could become a democratic system. And the formation of a clandestine national unity government has clearly expressed our determination to gradually assume control over all national territory and the population as a whole with all democratic forces' help. This is a starting point for struggle against the dictatorship.

[Question] How do you intend to restore constitutional legality?

[Answer] We are seeking a solution whose cost to the Bolivian people is the lowest possible, and we want to achieve this as far as possible by peaceful means. The military have violated the rules of the game and we are prepared take up their challenge, debarring the most unyielding and most compromised sectors of the armed forces. The 17 July coup is not just another putsch. It is different. It is the first coup in Bolivian history to be a pawn in the struggle between democracy and military dictatorships in South America. Argentina, which was the first country to recognize the new regime, is trying to turn Bolivia into a "security area" with a view to containing the democratic contagion.

Another feature of this putsch is the support which it has received from drug traffickers and delinquents. It must not be overlooked that it is with the military dictatorships' complicity over the past 15 years that the cocaine traffic has considerably developed. [end of answer]

According to Mr Paz Zamora, Bolivian Labor Federation leader Juan Lechin, who was arrested on the very day of the putsch, has not died but is still kept prisoner in a condition which is, however, causing very great concern.

BRIEFS

OIL CONTRACT--The Bolivian Government has approved a contract between Bolivian Government Oil Deposits (YPFB) and the U.S. Occidental Bolivian, Inc, for the exploitation of oil discovered in the Porvenir oilfield located in Chuquisaca Department. According to this contract, the occidental will begin producing 8,000 barrels per day in 1 and ½ years. [La Paz PRESENCIA in Spanish 1 Aug 80 p 8 PY]

GAS SALES TO ARGENTINA--La Paz, 5 Aug (TELAM)--According to information released by the Bolivian Government Oil Deposits, 930,690,963 cubic meters of gas were exported to Argentina between January and June 1980. This represents a 16.3-percent increase over the same period in 1979, when only 799,903,724 cubic meters were exported. [Buenos Aires TELAM in Spanish 1722 GMT 5 Aug 80 PY]

BALANCE OF PAYMENTS FIGURES--The Bolivian balance of payments recorded a $60 million deficit for the first half of 1980. While the trade balance left a surplus of $84 million, services caused a $196 million deficit. As a result of this, the deficit in the current account reached $83 million but net capital movement showed a $23 million surplus. [La Paz PRESENCIA in Spanish 27 Jul 80 p 1 PY]

MINING PRODUCTION--La Paz, 25 Jul (LATIN)--Official sources reported today that Bolivia's mining production declined sharply during the first 5 months of 1980. Although--thanks to the increase of international prices--the value of mineral exports rose 8.51 percent, the government is not satisfied with the behavior of tin. According to statistics between January and May 1980, Bolivia exported 9,300 metric tons of fine tin, which represents a 20-percent drop if compared to the same period of last year, when the country exported 11,700 metric tons. However, overall mineral exports brought the country $266,045,269 against the $243,431,192 received for the same period in 1979. [Buenos Aires LATIN in Spanish 1924 GMT 25 Jul 80 PY]

MINISTER CALS CONFIRMS DISMISSAL OF TWO COLONELS

PY112250 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Aug 80 p 34

[Excerpts] Brasilia--Mines and Energy Minister Cesar Cals has not only confirmed the report published yesterday by O ESTADO DE SAO PAULO that Col Jose Aragao Cavalcanti has been dismissed from his post as chief of his ministry's Security and Information Division [Divisao de Seguranca e Informacoes--DSI]. He has also revealed that he has dismissed Col Geraldo Bonzon, author of a document which indicated Soviets, Americans [norte-americanos], Jews and Sao Paulo industrialists as enemies of the Brazilian nuclear program. Colonel Bonzon was a DSI analyst. When he was still on active service, he was a member of the DOI-CODI [Department of Domestic Operations-Internal Defense Operations Center] in Sao Paulo, at the time when Gen Ednardo Mello was 2d Army commander.

The same sources who the day before yesterday revealed to O ESTADO DE SAO PAULO the dismissal of Colonel Aragao Cavalcanti have asserted that the government's intelligence and counterintelligence services are overseeing all reports published by the press on the Brazilian nuclear program. On several occasions the investigations have also included the identification of the authors of the reports, due to constant demands from the diplomatic area regarding the leakage of information on the subject. The German Embassy has several times expressed concern, especially over the material published by O ESTADO DE SAO PAULO.

FIAT WORKERS SIGN AGREEMENT, RETURN TO WORK

PY112226 Rio de Janeiro O GLOBO in Portuguese 6 Aug 80 p 12

[Excerpt] The 3,260 metalworkers of Fiat Diesel do Brasil, who stopped working on Friday, last night decided to sign an agreement that increases the base salary from 4,300 cruzeiros to 7,000 cruzeiros, establishes an additional rate of 6,000 cruzeiros for unwholesome working conditions, and grants stability to the six union delegates of the company. They are returning to work today, and the 2 working days they were on strike will be compensated for with overtime in September.

TEXT OF PINOCHET ADDRESS ON NEW CONSTITUTION

PY110407 Santiago Chile Domestic Service in Spanish 0100 GMT 11 Aug 80

[Speech to the nation by Chilean President Augusto Pinochet from the Diego Portales Building in Santiago--live]

[Text] Honorable members of the government junta; members of the cabinet; generals and admirals; ladies and gentlemen; fellow Chileans:

The government junta has concluded its studies on the new draft constitution, whose entire text will be officially published for your information tomorrow. This marks an important turning point in the life of our nation, since it is the people who will now take a new and decisive step on the path that Chile undertook on 11 September 1973.

The time to choose your destiny has come. We are facing two alternatives: either to return, gradually but inexorably, to those 1,000 black days filled with anguish and misery that Chile experienced, or to take the path that we are patriotically showing to our fellow citizens. This is the choice you will be confronting when you decide on this new constitution that will be submitted for your approval.

You have witnessed the importance that this government has given to the drafting of a new constitution that would establish the basic guidelines of the new Chilean institutionality. This is why in October 1973, just 1 month after the military revolution, the government appointed a commission to study a new constitution. This commission was made up of well-known judges, who were entrusted with writing a constitutional draft law.

Throughout the years that the commission was working on the constitution, your president has outlined a clear overall doctrine on the political, economic, and social aspects of the new constitution, and by so doing he has also complied with the declaration of principles of the present government. The constitutional commission had finished drafting the text of the new constitution by October 1978. It was later submitted to the Council of State for its consideration. On both occasions it was also issued to the people. This enabled the people--all democratic sectors and even the harshest government critics--to study the constitution and to engage in a constitutional debate. In addition to facilitating the debate on the issue, the publication of the draft enabled the government junta to learn the opinion of all sectors and persons who thought it appropriate to express viewpoints on the matter.

Now that we have finished with this task, I would like to express, for myself and for the government, our deepest appreciation to each and every member of the Council of State and to Enrique Ortuzar Escobar and the members of the constitution commission for their valuable work and contribution which enabled the government junta to issue its definitive decision on the final draft constitution (?which is today submitted) for the approval of all Chileans. [Words indistinct] appreciation, for the intense work that former Chilean President Jorge Alessandri Rodriguez, who is president of the Council of State, has carried out. His experienced contribution to this work is not only in step with the best Chilean republican tradition, but is also [words indistinct].

(?From the beginning), the present government has maintained that the military revolt on 11 September 1973 was not only the answer to the people from a national institution that had definitely exhausted all possibilities but was also an action aimed at stopping the disintegration of the country that was being threatened from its national roots.

We believe that the main causes that brought about this progressive erosion of a democratic regime that had been an example to other countries in the continent are found in the years prior to 1973.

From the mid-1960's Chile experienced an upsurge of Marxism with all its adverse effects, because it became a tool of permanent and total aggression by Soviet imperialism since the political-institutional regime of that time enabled Marxist agents from without and within to infiltrate the vital centers of our social body, thus increasing its power to upset everything from within. All this was happening while the definitive and irreversible coup was being prepared that would make Chile into another slave of the Communist yoke.

There were, moreover, increasing excesses of state socialism that were progressively reducing the freedom each Chilean had to choose his destiny and that of his family, thus suffocating all creative initiative. Furthermore, the high and sustained growth of our economy, which is the proper path to achieve the well-being to which all Chileans aspire, was obstructed.

The policy of illusion was indispensable to those who love demagogy. It created a system that enabled political parties to assume a monopoly on the participation of citizens without really achieving complete representation.

This situation was an incentive to many excesses never approved by congress, the licentiousness of a certain kind of press that destroys all principles, and the politicization of unions, which did not offer true protection to their members.

This entire situation made it impossible to have a government at the service of social justice, which was usually disregarded under the disguise of a language that lacked any substance and which in the end was nothing but a mask to serve the interests of more powerful or better organized business or union groups that would be used as points of support in the next elections.

Another point that can be noted from this analysis is the appearance of terrorism in the 1960's, a contemporary scourge promoted by international subversion that was well rooted and which constituted a threat that had to be defeated to achieve civilized coexistence and which the prior institutional regime was totally unable to cope with.

The analysis we have made leads us to the conclusion that it was not enough to carry out a mere superficial reform of the constitution in force up to 10 September 1973. It was indispensable to undertake with a creative mind the drafting of a new constitution. This does not mean at all that we repudiate our valuable judicial tradition, but rather that we are strengthening its basic points through a deep reform of our political, economic and social institution that will enable our nation to meet the challenges of the present world.

Within this tradition the new constitution assumes the democratic path in a decisive manner since any other system that may have been or will be proposed to replace it would mean a departure from our intrinsic way of living, and it would therefore be doomed to failure. The adoption of the concept of a new democracy as a government system is herewith established in this constitution by the election of future political authorities through universal suffrage, predominantly but not exclusively, and through the participation in power of diverse ideologies and trends. Only totalitarian, violent or anarchic trends will be excluded from it because of their incompatibility with democracy, and above all because of their incompatibility with the essence of our Chilean nationality.

This will come together with the establishment of full legal responsibility which government officials will have for their own performance, as it should be within a state of law.

However, our country's experience ma[illegible]t obvious that to view the democratic system of government as an end in itself is a mi[illegible]ke because democracy is only a means whose legitimacy and validity depends on its ability to serve freedom, security, progress and justice as a way of life, which is the true objective and final goal of the institutional system we advocate.

Therefore, rather than remaining neutral like the system which collapsed in 1973, the authentic democracy we advocate undertakes a clear-cut commitment with the above-mentioned values and seeks to hinder as much as possible all factors capable of undermining these values. I must make it clear that the new constitution has been conceived on the basis of this essential principle. Thus, I want to stress that the new constitution clearly defines the bases of the new institutionality in which man is viewed within the framework of his spiritual dignity and in which the state is placed at the service of man, and not the other way around.

Within this system, where the common well-being is the supreme goal of al[illegible] state actions and where the state plays a subsidiary role to the individual, the family is pointed out as the basic unit of society, and the intermediate organizations of this society are given the autonomy to fulfill their own goals. This leads to a significant strengthening of individual rights, especially those which most interest every man and woman in their everyday life--that is, the freedom to educate their children, the freedom to work, the freedom to join or not to join any union or association, and the freedom to choose among the various systems of health care.

The restriction of ideological pluralism is an essential component of a free society because access to political rights cannot be given to those who merely seek to take advantage of them in order to abolish them.

The constitutional implementation of foundations of a free economic system based on private ownership of the means of production and private initiative, where the state plays a subsidiary role, is also inspired by freedom. This is a crucial aspect which the previous institutional system did not provide and which will now be a solid barricade defending freedom from socialist state control.

The new constitution also takes a progressive stand in its legal struggle against terrorism and further strengthening the security of people and the fatherland by means of effective exceptional regulations which provide the authorities with enough power to control, curb and stop subversion without leaving room for the unbridled and abusive exercise of this power.

The manner in which the system of government is arranged is both creative and modern. The presidential syste[illegible] is strengthened, giving the executive branch and not the parliament the reins of political and economic leadership. Juridical and technical bodies are firmed up to preclude possible abuse of private citizens and demagogic temptations contrary to national interests.

The opportunity to ask for protection is reaffirmed. The position of the courts is strengthened. An essentially technical constitutional court is created. The autonomy and professionalism of the army, navy, air force and Carabineros is heightened and the participation of these bodies in the development of the country is organized and channeled through the National Security Council. The technical improvement of the Central Bank and the prohibition of any kind of inflationary operation are some of the main innovations of the new constitution.

Together with the other controlling mechanisms which our political and juridical system already had, we will have a government vested with all the necessary powers to lead the country effectively within the framework of a regime capable of excluding or punishing any excess in the implementation of its policy. Only this kind of government will be able to provide Chile with the coherent leadership which a modern state requires, something which is impossible to attain by means of a parliament.

This is the only way to provide the country with the strong and just government the people have always wanted because it is the only defense for the neglected ones and the only way to promote true social justice. In sum, the new constitution provides for a strong government which will be a shield for freedom and a guarantee for justice.

The constitutional strengthening of the process of regionalization currently underway is especially emphasized, as is the increase of participation by the community sought by means of a flexible, effective and depoliticized municipal system.

This brief description should suffice to understand that the new constitution now being proposed to the people is a goal which will be fully reached slowly and gradually because the development of the peoples, like that of the human being, must follow a natural process to avoid generating tension or problems which everyone will regret later. In this regard I would like to recall that wise saying: Trees which grow fast fall during the first storm. The oak which grows slowly challenges time and gives shade to several generations.

We must point out that the survival of a firm and stable democracy such as the one we are building demands economic, social and educational development capable of spreading its benefits proportionately among the people. Only under these conditions will a democratic struggle for power be able to take place among reasonable or moderate options which will not endanger the essential elements of the existing way of life. By spreading spiritual and material benefits among the citizens the support of the masses can be obtained. Something quite different happens when vast sectors of the citizenry are deprived of these very benefits and are therefore always ready to join any demagogic extremism because they have little or nothing to lose in the adventure.

We will submit the new constitution for the approval of the people because the government now believes that the partial goals have been reached and this allows us to outline the basic framework for the future organization of the far-reaching process of changes which we launched on 11 September 1973. The failure to do this would mean that our political fate will be unstable and it could also mean risking the continuity of the process by contributing to the confusion of those who support our government and the speculations of its adversaries, who only desire the reestablishment of the system which prevailed prior to the military uprising.

However, I want to emphasize that the full implementation of the new constitution must be preceeded by economic development and the social improvements which we are seeking since they will provide the pillars for a stable democracy at the service of a free society. For this reason, the draft approved by the government junta, while stating that the new constitution will go into effect 6 months after its ratification by plebiscite, provides for what we will call a period of gradual development. The duration of this period is established as one presidential term in office--that is to say, 8 years--beginning on the day the constitution goes into effect. This period is also established for all future presidents of the nation. A shorter term in office is not sufficient for long-range tasks which demand a firm and sustained drive to put them into effect.

During this period we will implement all those principles of the new constitution compatible with the survival of the military government, which means that political elections will be excluded from this phase. This period constitutes a challenge to our creativity for the fulfillment of the liberating and progressive task in which we are engaged. During this period we will implement many very important rules and institutions of the new constitution, and we will complete the modernization program currently underway.

At the end of the above-mentioned presidential term in office, the constitution will go into full effect and political authorities will be elected in line with its provisions. However, to guarantee the development of this process and to link fluidly and peacefully the phase we have described with the stage of full validity of the new democratic institutionality, the government junta has deemed it necessary to retain for itself the right to propose the name of the president of the nation for the new term in office which will begin in 1989. In any case, this proposal will be submitted to a plebiscite of the Chilean people. If there is approval, whoever is chosen president of the nation will have to call parliamentary elections 9 months later.

If the constitutional draft is rejected, general elections for president and congress will be called within a maximum of 1 year. The president will be elected in accordance with the general rules that will be approved--that is, through direct vote. A so-called second round will be called if no candidate obtains an absolute majority. At any rate, the draft that is proposed to the country means that by the end of this decade, after a gradual process, Chile will have achieved new and full democracy.

Your president has continued to fulfill the stages we outlined to the Chilean youth, because youth is the source of the new generations which will have a spirit of public service and which with a new mentality will be able to defeat the barriers of underdevelopment and will thus be able to project into the future the ideals of 11 September 1973.

Selfish ambitions will try to challenge the constitution that is submitted to you today, particularly because of the deadlines it establishes. The government junta has decided, therefore, that it will be the Chilean people who in a sovereign and free manner will choose their own destiny--either to turn back or to continue advancing on a path of progress, freedom and justice.

It must also be noted that the constitutional draft and the temporary measures included in it are indivisible since the present military government could not compromise the moral and traditional responsibility of the armed forces and security institutions by proposing to the country a new constitution separated from those rules that are necessary for a gradual and successful implementation of the new constitution.

To avoid any ill-intentioned criticism that will say this plebiscite does not offer any alternatives, I emphatically state to the people that in the hypothetical case the constitutional draft submitted by the government junta is rejected by the people, it will mean a return to the judicial and political situation that was in force in the country up to 10 September 1973.

Fellow Chileans: On this basis I call on all Chileans over 18 years of age to take part in the plebiscite to decide whether to approve or reject the text of the constitutional draft and the temporary measures the government junta has proposed. This plebiscite will be held throughout the nation on 11 September 1980. In this plebiscite every man and every woman throughout Chile will cast a free and intelligent vote based on the mandates of his conscience in accordance with the law the government junta has decreed by the exercise of its constitutional power and which will be immediately issued after the full text of the constitutional draft is published.

On 11 September 1973 the armed forces and the Carabineros answered the appeal of the people and the demands imposed on us by the times to save the country from communism and to set it back on the same path of freedom, order and development that made this a great nation. On 11 September 1980 it will be the Chilean people who will directly assume the responsibility of choosing the destiny of the fatherland, called by those of us who are certain we have fulfilled our duty before God, before the nation and before history. If the heroic mobilization of the Chilean people succeeded in its defense of freedom on 11 September 1973, it will be this same people who on 11 September 1980 will strengthen this victory by approving the constitution of freedom.

We are convinced that we have fulfilled one stage and that we are entering another one which, because of its content and leadership, calls for those measures we are today submitting for the approval of the Chilean people. We are thus keeping the promise we made in representation of the armed and security forces--a word that a true soldier would never dare to violate.

Fellow Chileans: On this memorable evening for the future of our nation, I would like to reach all Chilean homes, from Arica to the cold lands of the Antarctic, and request all fellow citizens to put aside all factions and malice and to fuse our Chilean blood in a single ray of light that will bring forth our calm judgment and strong will for the good of Chile and our sons. I would like to ask Almighty God to illuminate all Chileans on this important decision for our history and to continue guiding this dear nation along the path of freedom, greatness and sovereignty that our forefathers have blazed for us.

PERUVIAN FOREIGN MINISTER FORESEES BETTER RELATIONS

PY111805 Lima Domestic Service in Spanish 1200 GMT 11 Aug 80

[Text] Santiago, Chile--It has been reported here that Peruvian Foreign Minister Javier Arias Stella, on his way through Santiago yesterday, asserted that his country and Chile will normalize their relations, which entered a troubled period in January 1979 due to an espionage case reported by the Lima government. Arias Stella made a 20-minute stopover at Santiago's international airport on his way to Uruguay where he will participate in the ceremony that is to found the Latin American Integration Association [ALADI], which is to replace LAFTA.

GOVERNMENT BLAMES RENEGADE POLICEMEN FOR ABDUCTIONS

PY111908 Santiago Chile Domestic Service in Spanish 1730 GMT 11 Aug 80

[Text of communique issued 11 August by the social communications division]

[Text] In connection with recent well-known cases of abduction which have caused confusion among the citizenry the ministers of interior and national defense report the following:

1. The National Information Center has informed the above-mentioned ministers that according to data and statements it and the Carabineros have been able to gather, it has concluded that certain officials of the investigations police, acting outside the law and against specific government instructions, appear to be involved in these incidents.

2. The president of the nation has been informed of this and has ordered that:

A. Investigations must continue to clearly establish the facts and to identify those responsible in order to place them at the disposal of the investigating judge as soon as possible;

b. The minister of national defense must immediately order the chief of the metropolitan emergency zone, Gen Carlos Morales, to conduct the investigations mentioned in the above paragraph.

In view of this situation the director general of the investigations police has submitted his resignation and it has been accepted effective today. However, Gen Ernesto Baeza has offered to fully cooperate in the investigations.

3. The above facts do not harm the image of the investigations police and its members because the private, isolated and irresponsible behavior of a small group cannot affect the loyal, professional and dedicated work of most of them, and we acknowledge this.

4. The ministers of interior and national defense wish to reiterate that in compliance with precise instructions from the president of the nation, the government will continue operating strictly within the framework of the law to preclude any incidents which could jeopardize the safety of persons, regardless of the source.

Signed: Sergio Fernandez Fernandez, interior minister, Gen Cesar Raul Benavides Escobar, minister of national defense.

BRITISH TRADE MINISTER ARRIVES FOR 5-DAY VISIT

PY111836 Buenos Aires LATIN in Spanish 0131 GMT 11 Aug 80

[Text] Santiago, Chile, 10 Aug (LATIN)--British Trade Minister Cecil Edward Parkinson arrived in this capital today for a 5-day official visit. The British minister arrived accompanied by nine government officials and representatives of his country's private business sector.

During his stay in Santiago, Minister Parkinson will meet with President Augusto Pinochet, Foreign Minister Rene Rojas Galdames and members of the Chilean economic team.

Parkinson is visiting several Latin American countries seeking to promote more trade between his country and those of this area.

BRIEFS

PETROLEUM PRODUCTION--Petroleum production this year is expected to increase by 50 percent. This report has been made by Mines Minister Carlos Quinonez, who added that 1.8 million cubic meters of crude oil is expected to be produced this year, with which he expects to cover 38 percent of the country's needs. He also announced that a new call for international bids will be published soon to exploit the natural gas from Mocha Island. He also stated that negotiations are being carried out in Great Britain for the construction of a platform to detect the possible existence of petroleum between Valparaiso and Concepcion. [Santiago Chile Domestic Service in Spanish 9 Aug 80 PY]

INFLATION RATE--Sergio Chaparro, director of the National Statistics Institute, reported that the inflation rate for the month of July reached 2 percent. As a consequence, inflation for the first 6 months of 1980 has reached 16.8 percent as compared to 19.3 percent during the same period in 1979. [Santiago Chile Domestic Service in Spanish 1730 GMT 5 Aug 80 PY]

UNEMPLOYMENT FIGURES--It was reported that unemployment during July 1980 was 12 percent as compared to 12.6 percent in July 1979. During the month of June 1980 it reached 14.4 percent. [Santiago Chile Domestic Service in Spanish 1730 GMT 5 Aug 80 PY]

FIVE SOLDIERS RESIGN TO PROTEST TORTURES

PA090249 Paris AFP in Spanish 1632 GMT 7 Aug 80

[Text] Medellin, 7 Aug (AFP)--Five members of the Colombian Army admitted that they were witnesses to tortures and that for this reason they had requested to be relieved from active service, it was learned here today.

An officer and four NCO's from the Bombona Batallion in Puerto Berrio, where communist guerrillas have been active, denounced this to the newspaper EL ESPECTADOR.

According to EL ESPECTADOR, the soldiers wrote a letter to the army command saying that they disapprove of the torture of people, the attitude of the military toward those who do not want to do military service and the low pay they get for a job in which there is no reward.

Although they did not mention any case in their letter, EL ESPECTADOR says one can guess from what they say that in one instance they are referring to the case of Dario Arango, alderman from Puerto Berrio, who was a communist, who apparently died of a heart attack. Arango had been arrested by the army for being a member of the Revolutionary Armed Forces of Colombia (FARC) and later was found dead in a pasture on a cattle ranch with signs of torture.

The soldiers who asked to be relieved from active service are 2d Lt Miguel Armando Barrero and Cpls Jesus Perez Pena, Jaime Ballesteros Munoz, Julio Montes Galvis and Antonio Madrid de Avila. As men who like order and respect for human dignity, we disapprove of any form of torture of people because it is against human rights, which is our duty to safeguard, they say in their letter of resignation. EL ESPECTADOR quotes them as saying: What good is it to salute the flag while the people in this country are persecuted?

The Colombian forces in charge of fighting the guerrillas and drug traffickers have continuously denied the torture of prisoners. The government has done the same, although recently an Amnesty International committee denounced it publicly.

Court-Martial Possible

PA090255 Paris AFP in Spanish 1710 GMT 8 Aug 80

[Excerpts] Medellin, 8 Aug (AFP)--Five members of the Colombian Army, who denounced the torture of prisoners and asked to be relieved from active duty, will be court-martialed on charges of insubordination, it was learned here today. This case, the first in the Colombian Army, has caused a big scandal in the country and the military commands have said that all five could be court-martialed in the next few days for insubordination. An investigation has been opened to establish if this is a case of infiltration of the army by leftwing guerrillas. The army is known as one of the most disciplined on the continent.

ECUADOREAN DELEGATION TO ARRIVE FOR OIL TALKS

PA111720 Bogota Radio Sutatenza Network in Spanish 1200 GMT 11 Aug 80

[Text] Bogota--An Ecuadorean mission is arriving today in Bogota for talks concerning the sale of Ecuadorean oil to Colombia. Mines and Energy Minister Humberto Avila Mora disclosed that Colombia currently has a deficit of 50,000 gallons of oil a day and hopes to sign an agreement with Eucador to cover it. Avila denied the government is trying to conclude an agreement to purchase oil from Mexico.

ROLDOS GIVES STATE OF NATION ADDRESS

PA111225 Quito Domestic Service in Spanish 2348 GMT 10 Aug 80

[State of the nation address by President Jaime Roldos Aguilera at the legislative palace in Quito--live]

[Excerpts] On this historical date I am appealing for the road that lies ahead to be taken by us, honorable legislators, in harmony, despite our differences and divergent ideas and respectful of our personal dignity under a true democracy. Let us have respect for our functions and for the will of the people that you and I represent [words indistinct] to solve the urgent problems of the country. Let us not seek applause or votes through demagogy or fraud. Let us seek the happiness of the people, which can only be obtained through sacrifice, work and honesty. Let us cooperate so that the coupists will not have [words indistinct]. Let us cooperate so that the shameless persons will not go showing off their shamelessness. Let us cooperate so that the necessary laws can be issued and structures can be changed in freedom. Let us cooperate in order to tell history that we did not use the excuse of obstruction of our duties because you and I should not be judged by excuses.

Petroleum continues to be the main resource of our economy. For this reason, the government is focusing most of its attention on it in an effort to increase its reserves and rationalize its consumption. Therefore, regarding oil exploration, the government has already covered approximately 1.8 million hectares. It has conducted land surveys of approximately 4,400 km. It must be stressed that the surveys this first constitutional year are much greater than those carried out in the 1974-79 period, when only 2,500 km were surveyed. By 30 July this was surpassed by 76 percent. This was complemented with the drilling of wells in the Suara, Petete, Cuyabe and Tecoya fields at an approximate investment of 200 million sucres.

Regarding the importance of the creation of the Petro-Amazonas operating enterprise: as an irrevocable decision made by this government, it must be recalled that the Ecuadorean State Petroleum Corporation [CEPE] acquired 25 percent of the assets of the Texaco-Gulf consortium through a document signed on 14 July 1974. [words indistinct] the Ecuadorean pipeline. In 1977 CEPE also acquired 37.5 percent of the rights, shares and assets of the Gulf company in the Texaco-Gulf consortium [words indistinct] the trans-Ecuadorean oil pipeline for up to 50 percent. Consequently, CEPE currently holds 62.5 percent of the shares and assets of the CEPE-Texaco consortium. Regarding the existing relations between the two companies, it must be said that they were abiding by the 14 July 1974 document and by the document on the acquisition of the Gulf shares. Therefore, an adequate legal link between the two companies did not exist. This was achieved with the creation of the Petro-Amazonas operating enterprise.

Regarding the petroleum opening [abertura petrolera], the government will carry it out shortly in sovereign terms and in line with the country's interest. Consequently, the matter of petroleum contracts is being discussed and the so-called service contracts are in their final review phase. These contracts would permit going from a system of concessions in which the state is merely a collector of revenues to a system in which the state, through its company, takes full possession of its resources. Under this type of contract, the risk is assumed by the contractor but the contractor does not own the crude or the land. Under this system, the state aspires to stop being a mere exporter of crude and is determined to install a petrochemical industry. For this reason, CEPE is promoting the creation of mixed companies with CEPE as the main shareholder. These companies will be established in the petrochemical, fertilizer, lubricants and iron and steel industries.

The state believes the priority projects are the evaluation of the gas in the Gulf of Guayaquil as well as the integration of agriculture and petroleum industrialization. This is the program, the coherent model of economic development, that the government is promoting.

The following plants will be built during the first stage of the petrochemical project: [word indistinct] basic plant, polyethylene B-D and A-D plants and polypropylene and PVC plants. A lubricants plant will produce 1,500 barrels of oil and grease per day. It will start operating in 1983. A fertilizer plant which will produce [words indistinct] is being planned jointly with the drilling program (?and the development) of the Gulf of Guayaquil area. [words indistinct]

The program to increase the country's refining capacity includes the expansion of the Esmeraldas refinery and the building of a new refinery on the Santa Elena Peninsula which will produce 75,000 barrels per day. This will be done in two stages. The first will be completed in 1982. Current storage capacity has been increased [words indistinct] which will enter into operation in 1980.

Within the policy of rational consumption, the government is selling 82-octane gasoline without interrupting the supply--and this will not be done--of 84-octane gasoline. [applause]

Although it generates revenue, CEPE is going through a critical stage because of a gradual decrease in the revenue it gets from exports. In view of this and several legal regulations that have been issued recently, the budget deficit for 1981 will amount to approximately 9.3 million sucres.

We still have much to do and we are committed to it. We shall propose legal reforms that we consider necessary, morality justifying the actions of government officials and urging Ecuadoreans to pay their taxes fairly and not to the detriment of the nation. Unfortunately some of those in the higher income brackets have traditionally evaded paying their just taxes.

We have had some problems in customs. The national government was not created for the benefit of officials and employees but to fulfill their obligations, as is demanded of them. The finance minister and the comptroller general have informed the country of investigations and corrective measures they will implement.

The president of the republic, as armed forces commander in chief, has acted in keeping with his duties, fulfilling all military responsibilities without political distortion. According to democratic principles and according to its structure and its technical nature, the national Defense Ministry has been given the rank and respect properly due it.

We must note the work being done by the military geographic institute in drafting national maps and photogrammetric charts and integrated natural resources maps, and the technical cooperation of the army corps of engineers, the industrial promotion given by the army industrial directorate and the maritime interests directorate, the development of the Ecuadorean Transport Company, the reorganization of the shipyards, the work of the navy's oceanographic institute, with its technical studies of the territorial seas and its work in hydrography, oceanography and maritime navigational systems, the positive support given the petroleum fleet, increasing its number by five ships, and the reorganization of the banana fleet, which is its subordinate.

Civil aviation has improved through the support given to the improvement of airlines and the opening of new airports.

In addition, the technical progress of the armed forces deserves the congratulations of the country. I ascertained this during my tour of all Ecuadorean military installations, including the remotest outposts. [applause]

The national police also deserve special mention. We have recently begun promoting it, and its achievements, in spite of various structural problems it inherited, has reached levels which also deserve the recognition of the national government.

In the field of international politics the government has fulfilled its goals. We are fully aware of the importance of relations between states and the high international content of social and political [words indistinct] in today's world.

In this 12 months we have expanded our diplomatic and trade relations. Within the limitation of our financial resources, Ecuador has formalized contacts with many Caribbean, African and Asian nations. We have established relations with Cuba, Cyprus, Malta, St Lucia, Jordan, the Socialist Republic of Vietnam, the People's Republic of China, the Kingdom of Thailand, [words indistinct] the Albanian Socialist Republic, the Togo Republic, the People's Republic of the Congo, the Republics of Zaire, Liberia and Indonesia.

We have strived so that the fundamental principles of Ecuador's foreign policy have practical application and a creative existence. It is not a matter of merely reciting an international list of academic order, or worse still, repeating noble concepts in lyrical terms, as the only reason for the existence of our diplomatic corps. When the government I head speaks, for example, of nonintervention, we have been clear and specific in repudiating foreign intervention and expressing our condemnation of every attempt to attack the free self-determination of the Salvadoran people and all interference in the Jamaican electoral processes or in the life of Grenada. We have condemned the attacks on diplomatic missions and the holding of hostages, as in Iran.

We have firmly maintained the thesis of the invalidity of territorial conquests obtained by the threat or use of force. At every international forum in which Ecuador has been present, it has reiterated the thesis of the juridical and peaceful solutions of disputes. Within this concept we have expressed our attitude toward our neighbor Peru, based on defense of Ecuador's inalienable rights in the Amazon. [applause] Ecuador seeks, and will never dispair of obtaining, a peaceful solution to the existing territorial dispute.

Within the Andean Group, Ecuador has decisively participated in the creation of the foreign ministers council and you, honorable legislators, have established the basis for creation of the Andean Parliament. Relations between the Andean Group and the EEC took a positive step last May during the meeting in Brussels and the signing of a joint statement on political and economic aspects, such as the reassertion by both bodies of the support that should be given to pluralist democracy and placing Andean integration within the context of cooperation with all Latin American nations, recognition of the Andean Group as a region on the way to development and integration, and something else which is fundamental: to develop trade and [word indistinct] protectionism.

We are not a country in crisis. We are a country with serious problems which, if not met with courage and prudence, will lead to a critical situation. We have proved that the country's economy, affected by inflationary pressures, has been handled opportunely and will continue to be handled in this manner. No one can distribute wealth if he has not previously produced it.

In the production of wealth, in the change from the negative to the positive in agricultural production, in prospecting for hydrocarbons, in industrial circles, in the mechanics of marketing our products, we are establishing an efficient manner to promote economic development. But development by itself is not our goal. We are striving to create a just society. What we can do in the field of natural resources and the physical infrastructure is to place it at the service of man. This is why we have not neglected the progress of the people and have [words indistinct] of all social sectors.

The literacy campaign and education, urban and rural housing, dental and medical assistance and professional training are feasible steps toward this social improvement. But nothing of this will have a permanent value for the neglected man in Ecuador, who will fall into traditional patterns if we do not take the great step of implementing structural reforms within a framework of the rights we have always proclaimed and of democratic principles on this matter.

It is therefore up to us today to begin the in-depth implementation of structural reforms and promulgation of laws as positive steps. The structural reforms included within the 21 points of the program are based on tax reform because it is known all too well that the present tax system is [word indistinct] is unjust and places a greater tax load on the taxpayer with the lesser income.

This first year of constitutional government should be a lesson whose learning [words indistinct] the principles which must be present in the immediate future. The actions and the replies of the extremists and moderates must be given also. We cannot remain in the simple role of a routine government because the routine is condemned by the people. We must be a different government. We are being a different government and we will double our firmness so as not to give the enemies of democracy a chance to destabilize the government. [applause] [Words indistinct] leads to repression. We will not take the path of joy today because when we continue to see the hopes of the masses, we feel the frustration of all the things we have not been able to accomplish. To those who do not care about the fatherland, those mercenaries of democracy, we tell them that the government will not step back in its decision to implement changes. We tell them that the government is advancing. We do not want to be left behind in history; we must promote and generate changes.

The government, honorable legislators, will begin to submit to you several bills on legal reforms. We will do this for the good of democracy so that dictatorships will not happen again. [applause] This government has tried to fulfill its promises to the main sectors of the country and I want to especially thank the youth which has always supported this government, the Ecuadorean women who have been given delicate duties in the state activities and who have carried them out effectively and patriotically, the armed forces--the incorruptible bastion of our sovereignty--and the national police--a respectful expression of order. I also want to thank those collaborators who have known how to carry out their duties in the face of people's demands.

I must, however, give my harshest rejection to those who have not been honest in various state organizations, because this government does not approve or tolerate or pardon dishonesty. Regardless of the propaganda of those who spread hatred, we have been the first to point out the lack of honesty that still prevails in public administrators. [applause]

There are others who protect them and promote their corruption and [words indistinct]. This government has no other commitment than to the people, and let nobody try to get the government involved because we are the first ones to point out corruption, whatever its origin.

Within the law, because we are under a de jure system, we have said that we do not want the Abdon Calderon crime and the massacre of the workers in [name indistinct] to go unpunished. [applause] I challenge anybody who dares to say that the government has not taken all the pertinent steps to carry this out.

TRANSPORTATION MINISTER SUBMITS RESIGNATION

PY112334 Paris AFP in Spanish 0432 GMT 10 Aug 80

[Text] Lima, 10 Aug (AFP)--Peruvian Transport and Communications Minister Eduardo Orrego has resigned after being proclaimed a candidate for mayor of Lima by the government party Popular Action [Accion Popular] (AP). The government has appointed Fernando Chavez Belaunde to replace Orrego. He will be sworn in tomorrow, Monday, by President Fernando Belaunde.

Orrego submitted his irrevocable resignation in a letter addressed to the president of the ministers' council, Manuel Ulloa. President Belaunde regretted the resignation of such an outstanding and worthy colleague.

POLICE ARREST TERRORISTS IN AYACUCHO DEPARTMENT

PY111909 Paris AFP in Spanish 2038 GMT 8 Aug 80

[Text] Lima, 8 Aug (AFP)--The Peruvian police have confirmed the arrest of terrorist group headed by a doctor which has been operating in Ayacucho Department in the Andean south-central part of the country. The arrested are being charged with carrying out dynamite attacks--which have not caused any deaths or injuries--in this Andean department in the last few weeks. The new Peruvian Government headed by Fernando Belaunde sent an antiguerrilla detachment to the area as soon as he assumed the presidency on 28 July.

Interior Minister Jose Maria de la Jara y Ureta has reported that the situation is under control, that there is no outbreak of guerrilla activities and that the information about the attacks has been exaggerated.

The Civil Guard (uniformed police) in Ayacucho has confirmed the arrest of the head of the group, Dr Eduardo Matta Mendoza, 31 years of age. The guard also reported that Matta's wife, Jenny Maria Rodriguez, 26, has been arrested, as well as students from the University of Ayacucho Department, from the Lima San Marcos University and others.

Among the arrested, the police named Udelia Quispe, Eladio Quispe, Eusebio Canahuari, Gerardo de Caritasi, Oscar Morales and Exaltacion Quispe.

FOREIGN MINISTER: BOLIVIA WILL NOT BE ALADI TOPIC

PY091805 Buenos Aires LATIN in Spanish 0532 GMT 9 Aug 80

[Excerpts] Lima, 9 Aug (LATIN)--Peruvian Foreign Minister Javier Arias Stella stated here last night that the Bolivian affair will not be discussed at the foreign ministers meeting scheduled to be held in Montevideo from 10-13 August. The foreign ministers of 11 Latin American countries will meet in the capital of Uruguay to sign the birth certificate of the Latin American Integration Association [Asociacion Latinoamericana de Integracion--ALADI] which will replace the Latin American Free Trade Association (LAFTA).

Arias stated, however, that undoubtedly the meeting of foreign ministers, which will include those of the Andean Pact countries, "could give rise to an exchange of ideas regarding aspects of common interest in the Bolivian affair."

Arias refused to confirm whether the meeting of Andean foreign ministers which was to be held in Buenos Aires after the Montevideo meeting has been canceled due to the events in Bolivia.

LETTER CRITICIZES TORRIJOS ON HUMAN RIGHTS

PA101641 Panama City LA PRENSA in Spanish 10 Aug 80 p 12

["Readers Mail" column]

[Excerpts] To the Director:

In addition to filling a void concerning the free expression of independent opinion, the publication of the newspaper LA PRENSA must, among other priority objectives, permanently defend human rights in Panama.

To this effect, LA PRENSA may begin by accrediting representatives to the conference on human rights called by the Ecuadorean Government, scheduled to be held in the next few days.

It is public knowledge that the organizers of this conference have invited Omar Torrijos to participate in this conclave. This invitation is an insult to those who are honestly committed to the defense of human rights; to the memory of those who have disappeared as a result of the violation of the right to live by the government that Torrijos has covertly or overtly headed during the last 12 years and to those who have been victimized, in varying degrees, by this government.

Very truly yours,

Fulvia Morales.

CRITICA VIEWS RISE IN SUPPORT FOR COMMUNISTS

PA111836 Panama City CRITICA in Spanish 11 Aug 80 p 18

[From "Whatever Deserves Comment" column]

[Text] A Soviet dissident is more efficient than 20 CPSU militants. There is no argument about that. By analogy, it is said that in capitalist countries a militant of a communist party is 20 times better than an average cadre of a traditional party. In Panama the pro-Soviet party of Panamanian communists, the People's Party [PP], recently opened its party registration process.

Without too much effort they have been able to make 10,000 persons admit officially that they are communist. In recent days two PP militants, Dimas Ali Nunez and Julio Bermudez, were promoted by their party as independent candidates for Panama Province. Practically no one thought they had the slightest chance in an election. However, to the experts' surprise, the communist candidates have obtained approximately 15,000 signatures of supporters, being surpassed only by the independent candidate of the powerful Panamenist Party, Alonso "Bucho" Pinzon. It is significant that in a country where it is still a sin to be communist, so many persons have dared to make their ideology officially known.

The opposition is doing everything possible to overthrow the present government, saying it is the rich who should have power in this country. The more realistic businessmen know that this government has served as a mediator between the popular sectors and the powerful. The stubborn opposition believes that with the fall of this government the conservative forces would take the reins of power. However, the international situation shows that the people are demanding true revolutions, which cannot be carried out by those who don't believe in them.

El Salvador is a good example of the failure of the traditional parties. Two years ago the leftist forces were insignificant there. Today the only determining forces are the popular organizations and the bayonets of an army besieged by an opposition that gives no quarter.

Those who want a conservative change in Panama may get it, but it is almost certain that they would lose power quickly, never to regain it. A desire to deny the poor their right to a better life is clearly established in the programs of almost all the parties. Meanwhile, the People's Party tirelessly affirms that it defends the national proletariat.

PLA LEADER BARLETTA CHARGED WITH 'POLITICAL TREASON'

PA091602 Panama City CRITICA in Spanish 9 Aug 80 p 1

[Text] Luis Barletta, secretary general of the Agrarian Labor Party [PLA], now in the process of organizing, appears to be involved in an act of political treason toward the National Opposition Front [FRENO] and particularly toward Dr Arnulfo Arias, top leader of the "Panamenists."

Laborites who follow the leadership of Azael Vargas told CRITICA that Luis Barletta had promised Dr Arnulfo Arias he would not register the party in accordance with the FRENO strategy of not participating in the forthcoming election for legislators.

This promise assured Barletta the FRENO leadership for 2 months, but the politician feared Azael Vargas would make a move to register the PLA.

Foreseeing this movement by Azael Vargas, Luis Barletta got the electoral tribunal to give him the registration books to register 100 members in one of the houses he owns in La Cresta, a source said.

Since this move by young Barletta is against the Panamenist leader's order for total abstention, it is expected the secretary general of the PLA will be dismissed momentarily from the leadership of the FRENO.

According to the source, it is not the first time Luis Barletta has committed an act of political treason. Old Laborites recall that he was the one who seized the old PLA headed by Vargas.

The charges by Azael's Laborites could not be confirmed at the electoral tribunal since the tribunal's officials "are extremely busy."

DIRECTOR CALLS FOR REVIEW OF AVIATION AGREEMENT WITH U.S.

PA120234 Panama City Televisora Nacional in Spanish 2315 GMT 11 Aug 80

[Excerpt] Capt Hermes Carrizo, director of civil aeronautics, has told this station that the bilateral agreement on civil aviation between the United States and Panama must be reviewed because some of its clauses do not agree with the Torrijos-Carter treaties.

The national government is adopting new policies for the benefit of the country's aviation, Carrizo explained to this station. He said that one of the most important measures is the review of the bilateral agreement between Panama and the United States:

[Begin Carrizo recording] We are also adding the final touches to starting the talks with the U.S. Government because the agreement not only calls for a review but also for the signing of a new bilateral agreement. This situation is unbearable for us. We feel, for political reasons, that this matter cannot be delayed any longer, because the bilateral agreement involved circumstances which are no longer in effect with the new Torrijos-Carter treaties. [end recording]

COSTA RICA

NICARAGUAN OFFICIALS ARRIVE FOR 2-DAY VISIT

PA112154 San Jose Radio Reloj in Spanish 1730 GMT 11 Aug 80

[Excerpts] Three Nicaraguan Government junta members arrived today in San Jose for a 2-day visit. On 17 August, President Carazo will participate in a caravan to Nicaragua to commemorate the assumption of the Virgin Mary.

At the airport today Carazo said that the peoples of Nicaragua and Costa Rica share a common destiny in the areas of democracy, justice and freedom. He added that he will fully support Nicaragua so it can achieve and consolidate its freedom, its justice and its democracy.

In the name of the Nicaraguan Government, Daniel Ortega said the border between our two countries is increasingly becoming something artificial.

Arturo Cruz and Rafael Cordova Rivas, the ministers of foreign relations, fishing and public works and transportation and the deputy economy minister also arrived with Daniel Ortega.

We are not military officers. We are citizens armed to defend freedom, Ortega said today on arriving in Costa Rica. Daniel Ortega spoke for a few minutes at Juan Santamaria Airport where he arrived in a Lanica plane at 0930 today. The diplomatic corps was not on hand to receive him, only a number of government officials. Ortega's words at the airport this morning follow:

[Begin recording] Costa Rica undoubtedly occupies first place among the Central American peoples. For us, borders have been artificially created; they are something secondary, something circumstantial, because the affection that the Costa Rican people have shown the Nicaraguan people on various historical occasions and the affection that the Nicaraguan people have shown the Costa Rican people cannot be limited by borders of any kind.

As our General Sandino used to say, we are not soldiers--even though we pose as such--but merely citizens faced with the need to arm ourselves, just like you Costa Rican brothers armed yourselves to defend Central America's integrity when we were invaded by pirate William Walker; just as you Costa Ricans have armed yourselves to defend Costa Rica's integrity under various circumstances, particularly when Somozism tried to attack you. We are armed citizens who have had to wield weapons in order to achieve peace. We have begun achieving this peace through the blood of thousands of Nicaraguans, through the sacrifice of Costa Ricans and of those Central American brothers who fought alongside us against the Somozist dictatorship. [end recording]

First Work Session

PA120340 San Jose Radio Reloj in Spanish 0100 GMT 12 Aug 80

[Excerpt] During the first work session held today, the visiting Nicaraguan ministers and the Costa Rican officials discussed the amount of the Nicaraguan debt with our industrialists. It was explained that the Nicaraguan civil war incidents did not leave an adequate mechanism to establish this figure. According to the visiting ministers, Nicaragua is interested in reaching an agreement with our government in order to cancel this debt according to the economic possibilities of that nation.

The possibility of Costa Rica giving technical advice in certain areas of development of the agricultural and cattle industry was another topic discussed in the agenda. Regarding this, it was said that our country has agreed to give this aid. In exchange, the Nicaraguans will give us advice in matters related to the growing of cotton.

A news conference is scheduled for tomorrow at 1700 in which the other topics discussed today will be explained.

Ortega on Elections, Bolivia

PA120255 San Jose Radio Reloj in Spanish 1730 GMT 11 Aug 80

[Omar Galvez interview with Nicaraguan Government junta member Daniel Ortega on the occasion of a 2-day official visit to Costa Rica, place not given--live or recorded]

[Text] [Question] When do you think Nicaragua will call elections?

[Answer] Nicaragua held a big election, the revolutionary struggle. Of course, it is not a classical election, a common election, but an election that led people to vote with their blood and to vote with their lives. We are witnessing a type of democracy which I believe is creating a precedent here in Latin America. I do not think any other parliament in Latin America has so many groups represented as the Nicaraguan parliament. It includes representatives of all the political parties, regardless of their ideological positions, as well as representatives of all the economic, social and religious forces. This is unprecedented, because as far as we know, any electoral process in any Latin American country usually includes only two parties: the victorious party and the losing party in the minority, with perhaps a few very small parties with a few seats in the assembly.

[Question] Commander, what is your view on Mr Robelo's phenomenon?

[Answer] Well, Mr Robelo has simply shown what democracy is like in Nicaragua. Mr Robelo has talked freely, he comes and goes freely, says whatever he wants and criticizes whatever he wants. This strengthens democracy and pluralism in the new Nicaragua.

[Question] How many new literate people are there now in Nicaragua, in the wake of the revolutionary government's campaign?

[Answer] By 23 August we will have more than 500,000 literate people.

[Question] Will this be in November?

[Answer] In August, on 23 August.

[Question] On 23 August?

[Answer] Yes.

[Question] Has Costa Rica's contribution to the Nicaraguan literacy crusade been very limited or would you say it has been important?

[Answer] We think it has been an important contribution. We had the opportunity to receive the Costa Rican teachers who arrived in our country. They arrived with some fears as a result of all the propaganda and barbaric things, all the lies propagated about Nicaragua, but reality made them understand what the Nicaraguan revolution really is and this has destroyed all the lies propagated by some of the media.

[Question] A final question, commander. What about Nicaragua's stand on Bolivia?

[Answer] Regarding the case of Bolivia, we have simply tried to reflect the Latin American people's concerns, their desire for democracy, which has been attacked in Bolivia. It was only natural then that Nicaragua should protest that violation.

Cruz on Subversion, Oil

PA120325 San Jose Radio Reloj in Spanish 1730 GMT 11 Aug 80

[Omar Galvez interview with Nicaraguan Government junta member Arturo Cruz on the occasion of an official 2-day visit to Costa Rica, place not given--live or recorded]

[Text] [Question] We have a few questions for you on the junta's control of the counterrevolutionary outbreaks in the north. What is your opinion on that?

[Answer] In the first place, we trust that our Honduran brothers will realize they have the sacred duty of controlling the movements of those seditious elements that might come out of their territory and into Nicaraguan territory. In addition, our military authorities are exercising all the necessary vigilance. It is truly deplorable that crimes should be committed against youths dedicated to the noble task of teaching others.

[Question] What about the very interesting oil renegotiation between the Central American countries and Mexico? What is Nicaragua's view on that? How did it receive President Carazo's efforts in connection with that renegotiation with Venezuela and Mexico?

[Answer] Thanks to the efforts of President Carazo Odio, both Venezuela and Mexico are giving unprecendented signs of solidarity with the sister nations of Central America and the Caribbean.

[Question] How about Nicaragua's cotton production?

[Answer] Our goal for this year is 170,000 manzanas, which represent approximately 70 percent of the normal area. We are sure that we will obtain at least 150,000 manzanas. That would still be satisfactory.

[Question] I have noticed that the junta has brought very few security men. Other chiefs of state even bring special planes with security chiefs. What is the reason for this?

[Answer] Well, I do not know what the reason is but, in any event, it is a good sign. I think that when we visit a country such as this, which is a model of democracy in Central America and the world, it is satisfactory that we should follow its examples. I think that although leaders or those with responsibilities within the government should, of course, worry about their personal security, they should try to travel without too many aides. They should try to mix with their own compatriots or with the citizens of those countries they visit without any fear.

Cordova on Revolution's Achievements

PA120100 San Jose Radio Reloj in Spanish 1730 GMT 11 Aug 80

[Statements by Nicaraguan Government junta member Dr Rafael Cordova Rivas on the occasion of a 2-day visit to Costa Rica, place not given--live or recorded]

[Text] The achievements of the Nicaraguan revolution have been the nationalization decrees and the literacy crusade. Through nationalization decrees No 339 and No 329 the state has become the owner of 1.2 million manzanas and almost 52 percent of industrial and service property, formerly part of the property owned by the Somozists and those close to power. The mines were also nationalized, as were the insurance companies, the banks and so forth. Now the state is rolling on two wheels. One is political pluralism, which is the ideological part, and the other is the mixed economy, that is, a [mixture of] a state economy and a private economy.

The second achievement is the literacy cursade, as there will be direct contact between countless Nicaraguan youths and the country's peasants who had been quite isolated. Now they will get in touch with our youths and they will learn to read, as they have already done.

[Question] What could you tell us about relations with the United States and with other nations?

[Answer] Nicaragua's relations with all nations are very cordial, except for the gorillas in Bolivia, who staged a coup and destroyed the democratic and electoral process of President Siles and of Vice President Octavio Paz. [as heard]

PUBLIC SECURITY MINISTER DENIES REPORT ON GUERRILLAS

PA120339 San Jose Radio Reloj in Spanish 1730 GMT 11 Aug 80

[Phone interview by Fernando Escobar with Public Security Minister Carlos Arguedas le Franc--live or recorded]

[Text] [Question] Mr Minister, according to an AFP report, datelined 11 August, you have said there is a guerrilla organization and guerrilla cells are being trained in the Atlantic coast. According to the report, police are investigating this. The alleged guerrillas are Salvadorans and Costa Ricans, and training is apparently being undertaken on the Standard Fruit Company banana farms. What could you tell us about this, Mr Minister?

[Answer] The report published in the paper LA NACION [as heard] is not true. It makes no sense and has no logic. We are obliged to investigate any charge or information to determine if there is indeed any connection with criminal activities. We do this all the time. The rural guard and the civil guard are constantly seeking information throughout the country and investigating any information. But I cannot say there is anything like LA NACION has reported.

LA NACION has published some statements which it has attributed to me, but which are also false. One must be very careful about this sort of thing. As the saying goes, one must be very careful when either talking or eating fish.

In short, what LA NACION reports may have something to do with investigations the judicial organization is indeed carrying out, but I have said absolutely nothing in connection with this. I think this explanation was necessary in order for everyone to understand what is going on at present, Mr Escobar.

CARAZO FOREIGN POLICY, 'INTERVENTION' CRITICIZED

PA102028 San Jose LA NACION in Spanish 6 Aug 80 p 33A

[Paid advertisement of Free Costa Rica Movement: article by Bernal Urbina Pinto: "Temper Your Liberating Spirit, Mr President"]

[Text] There is no doubt that all Costa Ricans would like to see most, if not all, American countries enjoy truly democratic regimes. Unfortunately, things do not work this way and we are far from being able to remedy this.

In view of its present economic crisis, Costa Rica cannot affort the luxury of adopting "liberating" stances and stirring up trouble internationally. It has been unable to solve its own problems, which have been aggravated by the extremist agitation of the communists.

Without a doubt, the president utters high-sounding phrases when he speaks inside and outside Costa Rica. But instead of lyric speeches, what we Costa Ricans really need is the government to tackle the serious problems faced by the people. Nobody can live on smiles or nice phrases!

The president's persistence has already become recklessness. His intervention in the affairs of friendly countries through public statements has placed Costa Rica in the middle of constant international turmoil which is of no benefit to us whatsoever. It would seem that our experience in Nicaragua, where efforts to remove a dictator resulted in the establishment of a Marxist dictatorship, has not been a sad experience for the president. His last statements against the Chilean Government, with which Costa Rica maintains close relations, were absolutely senseless. It is unbelievable that President Carazo used the presence of the widow of Marxist President Salvador Allende as a pretext to insult the Chilean Government.

Since the president is so wary of certain Latin American governments, he should have started by keeping our country from serving as a base for Cuba's communist government which is the most ferocious and barefaced dictatorship on the continent. It was no strange thing [as published]--after high-ranking Costa Rican officials came out in favor of the Chilean process--for President Carazo to unofficially criticize a government and to do so in a manner which is inadvisable for the country. He did this possible without a profound knowledge of the process which is developing there, once more intervening in matters which are not in his area of competence.

We are not interested in defending the Chilean Government. Chileans have a diplomatic mission in Costa Rica for this purpose. However, what we find unacceptable is to see our country continue acting as a springboard for all the Marxists who decide to come here to say whatever they please and yet find a receptive ear in some sectors of our government. Perhaps the president should consult with many of his aides who are familiar with Chile's reality before making statements.

The best that the president can do is to control his "liberating" spirit before such endeavors destroy our own freedom and social peace.

TEN NICARAGUANS DEFECT FROM SANDINIST ARMY

PA101939 Panama City ACAN in Spanish 1857 GMT 10 Aug 80

[Text] San Jose, 10 Aug (ACAN-EFE)--Ten Sandinists have defected from the Sandinist Peoples Army [EPS] of Nicaragua and have turned themselves over to the Costa Rican authorities of the National Security Office [OSN].

Col Johnny Chaverri, deputy director of the OSN, went to the northern part of the country to take charge of the Sandinists who arrived in the police post located near the bridge over the Cabalceta River, 5 km from the Penas Blancas border post in Costa Rican territory. It was learned here today that the former Nicaraguan policemen, nine men and one woman, fought in the southern front commanded by Eden Pastora, better known as "Commander Cero."

The authorities immediately undertook an investigation to learn exactly the intentions of the deserters who are still in the northern part of the country. When they turned themselves over, none of the defectors had firearms and all had identification cards accrediting them as members of the Sandinist People's Army. The OSN will have charge of the defectors, all of whom are of Nicaraguan nationality, until the reason for their desertion and their intentions in Costa Rica are cleared up, official sources reported today.

BRIEFS

ROMANIAN MINING ASSISTANCE--Romania will cooperate with Costa Rica in the exploitation of diatomite and in the installation of factories for the production of poultry feed, tomato paste, and for the refrigeration of fruits and vegetables. The agreement, which is an improvement on the past pact, was signed this afternoon. [San Jose Radio Reloj in Spanish 0100 GMT 6 Aug 80 PA]

TRADE WITH ROMANIA--Romania and Costa Rica have signed a new mutual assistance agreement. Costa Rica will sell a large number of products to Romania. The cooperation agreement on the exploitation and processing of bauxite will also be renewed. Romania will also help Costa Rica build a hydroelectric plant. [San Jose Radio Reloj in Spanish 0100 GMT 6 Aug 80 PA]

EL SALVADOR

APOSTOLIC ADMINISTRATOR DECRIES EXISTING VIOLENCE

PA102141 Panama City ACAN in Spanish 2044 GMT 10 Aug 80

[By Mauro Espinoza Fernandez]

[Text] San Salvador, 10 Aug (ACAN-EFE)--At least 202 persons have died during the past 2 weeks in El Salvador as a result of the political violence affecting the country. This was announced by the administrator of the Salvadoran Archbishopric. To these 202 deaths can be added at least 20 more persons killed between Saturday and Sunday. This raises the total of these 2 bloody weeks to 222.

Salvadoran Archidiocese administrator, Msgr Arturo Rivera y Damas, also said that at least 19 persons had been arrested between August 4 and 8. He asked the authorities to release them and demanded the captors of the former South African ambassador in El Salvador, Archibald Gardner Dunn, to release him. Dunn was kidnapped by the Marxist Peoples Liberation Forces [FPL] on 28 November 1979 as he left his office in the western part of San Salvador.

The prelate announced that clashes between government troops and leftists irregular forces had intensified as well as the harrassment between the two forces. All this only serves to destabilize the peoples [word indistinct]. He also decried the bloodbath occurring in the country.

Rivera y Damas also urged the people to act prudently during the scheduled 3-day national strike, promoted by the opposition Democratic Revolutionary Front. He said that whoever wants should support the strike but that support should not be obtained by threats. He added that the government should confront the scheduled strike with a political solution.

Salvadoran Armed Forces sources have said that patrols will be intensified on the days prior to the strike and during the days of the strike itself: Wednesday, Thursday and Friday. It was also revealed that the army has intensified its operations in the northeastern part of its territory, the border Morazan Department, where unofficial reports tell of intensive fighting between the country's conflicting forces.

Rivera y Damas also regretted the death of the Mexican newsman who was fatally shot by a sniper early Friday night. The correspondent of the Mexican UNO MAS UNO newspaper and the magazine PROCESO, was shot during an armed clash between government troops and leftist guerrillas in a sector 1 km north of downtown San Salvador. His body was taken today to Mexico in a government aircraft.

ARMY COORDINATING PEASANT REFUGEES' RETURN HOME

PA061515 San Salvador LA PRENSA GRAFICA in Spanish 29 Jul 80 pp 3, 45

[Text] Military civic action, together with the security corps, yesterday began coordinating the return home of over 6,000 peasants who sought refuge in Perquin, Morazan, in their flight from the terrorism of subversive groups.

An army spokesman reported that the return began yesterday and that it is expected that all peasants living in Torola, San Fernando, Jocoaitique and other towns in Morazan Department will be back home this week. The source added that the number of refugees in Perquin has dropped considerably because some families have decided to move to San Francisco (Gotera) until the situation is completely back to normal in their areas. The spokesman noted that, in view of the guarantees offered by the military garrisons, the refugees are returning home, hoping that the subversive groups have been removed after having attacked and robbed their homes.

It was also reported that the Torola residents committee in the capital was of great help in funneling the aid that many generous people sent to Perquin to help cope with refugees' situation, especially those from Torola and San Fernando.

EPIDEMIC SPREADS AMONG REFUGEES IN EASTERN REGION

PA120211 San Salvador EL DIARIO DE HOY in Spanish 10 Aug 80 pp 9, 15

[Text] Carlos Morales, president of the Red Cross in San Miguel, has reported that a frightful epidemic is spreading among refugees in various cities and towns in the country's eastern region.

He said that the Red Cross for that area is headquartered in San Miguel and that it has been taking care of some 10,000 people since 23 July despite its low funds.

These 10,000 people have left their homes, fleeing from subversive groups which do not respect children, old people or women.

Morales added that some 700 people are being taken care of in Jocoaitique: 2,000 in Osicala; 1,600 in San Agustin, Usulutan Department; and 500 in Corinto, Morazan Department. [paragraph continues]

This is in addition to those refugees who are staying in Perquin, Torola and San Fernando. There are another 400 persons in San Antonio de las Moscas, 700 in Delicias del Norte and 2,000 are lodged in schools in Gotera.

Approximately 60 percent of these people are children and some of them are quite sick. An epidemic has been spreading recently, possibly because of the terribly crowded conditions as there are more than 100 persons in one small classroom. The illness is particularly affecting the refugees in the northern [as heard] area. This illness is characterized by high fever.

Morales said that in view of this all refugees are being vaccinated to prevent worse mishaps. He said that more help is needed from international organizations such as WHO, AID and so forth.

Despite all this, Morales said, the Red Cross is working with the help of various health units and the Directorate of Community Development.

He noted that they are also facing the problem of the lack of vehicles. They are working with one ambulance for all the eastern area because the other one was machinegunned last week.

Morales said he wanted to take this opportunity to urge the citizens to donate medicines, clothes, food, particularly beans and sugar, and money needed to buy gasoline.

He said that the aid of other Red Cross associations and the International Red Cross is needed because the needs in all the towns are very pressing.

The Red Cross of San Miguel will hold a raffle and an artistic event at the main square tomorrow in order to collect funds to try to solve its problems. The San Miguel Red Cross is hereby asking the citizens to help.

LP-28 MEMBERS OCCUPY TOWN, DEMONSTRATE WEAPONS USE

PA120227 San Salvador Radio Cadena Central in Spanish 1604 GMT 11 Aug 80

[Text] A group of approximately 200 heavily armed men occupied the city of San Jose Las Flores in La Popa yesterday afternoon for approximately 30 minutes. The men, who claimed to be members of the 28 February People's Leagues [LP-28], held a meeting in a downtown area and, after protesting the present system in the country, gave the residents a demonstration in the use of weapons. Residents of the city of San Jose Las Flores said that the LP-28 militants arrived in several buses.

GUATEMALA

BRITISH MINISTER RIDLEY ARRIVES FOR 3-DAY VISIT

PA112349 Panama City ACAN in Spanish 1900 GMT 11 Aug 80

[Excerpts] Guatemala City, 11 Aug (ACAN-EFE)--Nicholas Ridley, British minister of state for foreign and Commonwealth affairs, this afternoon started a 3-day visit to Guatemala, during which he will meet with Guatemalan Foreign Minister Rafael Castillo Valdez to discuss the future status of the territory of Belize.

Ridley, who is accompanied by his wife, arrived here invited by Guatemalan Foreign Minister Castillo Valdez on a visit labeled as "private" by the British Consulate.

The Guatemalan Foreign Ministry said today that Guatemala wants its rights to be considered in any settlement of the Belize issue, but that it asks the same consideration for the Belizean people's legitimate rights. This position is more flexible and realistic than that of past Guatemalan governments, which simply regarded Belize as "part of Guatemala." The Guatemalan Foreign Ministry said Guatemala's attitude is not one of stubbornness, but of understanding and reason regarding Belize's future.

Guatemala has been opposed to a Belizean independence, declared unilaterally by Great Britain, in which Guatemalan claims on Belize would be ignored. It has been reported that the UK-Guatemalan talks are going on the right path and will enable a just settlement of the Belizean issue.

The schedule for Ridley's visit includes a press conference Wednesday afternoon during which the present talks will be discussed.

GUATEMALA TO FORGO MANAGUA FOREIGN MINISTERS' MEETING

PA120350 Paris AFP in Spanish 0201 GMT 12 Aug 80

[Text] Guatemala City, 11 Aug (AFP)--The Guatemalan Foreign Ministry today announced here that no Guatemalan delegation will attend the Central American foreign ministers' meeting slated for 14 August in Nicaragua. In a bulletin addressed to the Nicaraguan foreign minister, Father Miguel D'Escoto, the Guatemalan Foreign Ministry indicates that strictly national problems demanding urgent attention, as well as certain regional incidents influencing Guatemala, which deserve careful and immediate consideration, preclude the sending of a delegation to Managua.

Efforts will be made at the foreign ministers' meeting slated for Saturday in Nicaragua to restructure the Central American Common Market, which is scheduled to expire next year. The area countries' relations with the OAS and with the EEC will also be examined.

The Guatemalan Foreign Ministry communique states in conclusion that more favorable conditions are expected for holding a meeting at which to seek collective solutions to the problems affecting the entire Central American region.

PRESIDENT LUCAS DEDICATES FREE ZONE IN IZABAL

PA111554 Guatemala City Domestic Service in Spanish 1230 GMT 11 Aug 80

[Text] President Lucas Garcia dedicated the Industries and Commerce Free Zone, ZOLIC, at the Santo Tomas de Castilla Port in Izabal Department. The project includes an industrial and commercial complex, an administration building, water and energy services, a craftshop, a telephone network and a complete housing layout. The entire project cost 22,430,610 quetzales.

GUERRILLA CAMP DISCOVERED, 10 KILLED IN CLASH

PA112118 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 11 Aug 80

[Text] An army patrol clashed with guerrillas yesterday on a mountain in Colomba, Quezaltenango. Ten guerrillas were killed and 1 soldier was wounded, the Armed Institute has reported. The army report indicates that the clash occurred during a routine patrol in that sector when a camp of a clandestine organization was discovered. The army announced that the guerrillas left behind medicine, foodstuffs, arms, munitions of various calibers and communist propaganda.

REFUGEES ARRIVE IN QUICHE; CLERGY DEPART EN MASSE

PA082023 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 8 Aug 80

[Text] Scores of people from [word indistinct] and Chajul arrived today in Santa Cruz del Quiche, afraid because of the recent clashes between the army and the guerrillas. In the past few days, the subversives have limited themselves to distributing propaganda of their organizations, but people are still afraid.

Following the mass withdrawal of Catholic priests, an exodus of evangelical pastors, who claim to have also been threatened, has begun.

Businessman (?Ezequiel) de Leon Rivera, who was very well known in Santa Cruz del Quiche, was assassinated today in the town of (Curin).

BRIEFS

NEW HEALTH CENTERS--The government of the republic is investing 6 million quetzales in the construction of nine new health centers in various parts of the country: Chimaltenango, El Quiche, Totonicapan, El Progreso, Baja Verapaz, Alta Verapaz, Peten, San Marcos, Huehuetenango, Guatemala City, Retalhuleu and Escuintla. [Guatemala City DIARIO DE CENTRO AMERICA in Spanish 7 Jul 80 p 3 PA]

HONDURAS

COMMITTEE ASKS FOR CAMPS FOR SALVADORAN REFUGEES

PA072323 Tegucigalpa Radio America in Spanish 1700 GMT 7 Aug 80

[Distributed by Inter-Central American Radio Organization]

[Text] Several religious, educational and social assistance organizations which are members of the committee to help the Salvadoran refugees will ask the government and Justice Ministry to place the approximately 9,500 refugees in special camps.

In a meeting at the National Autonomous University of Honduras yesterday, the committee discussed the problems being experienced by the Salvadorans who have entered western Honduras as a result of the war being waged in their country. Representatives of all the organizations helping the refugees agreed that the best way to help them is to organize them in appropriately equipped camps where medical and social aid can be provided, particularly to the children and elderly, who comprise most of the refugees.

It was also reported at yesterday's meeting that the UN High Commissioner for Refugees, whose representative in Honduras is Carlos [name indistinct], has already given the committee 200,000 lempiras--$100,000-- to be used for food, medicine and other aid for the 9,500 Salvadorans. Of this amount, 170,000 lempiras have been allocated for the 8,000 refugees living in Guarita, Mapulaca, [name indistinct] and La Virtud in Lempira Department, while the other 30,000 lempiras have been allocated for the 1,500 refugees in Estancia, La Paz Department.

The following organizations are members of the committee to help the Salvadoran refugees: Caritas of Honduras, the religious conference, the university, (?Care), the Evangelical Committee of National Emergency, the Mennonite Church and the [name indistinct]. All of these institutions have been helping the refugees.

NICARAGUA

MANAGUA'S ARCHBISHOP STRESSES NEED FOR DEMOCRACY

PA120143 Managua Radio Mundial in Spanish 1800 GMT 11 Aug 80

[Statements by Msgr Miguel Obando y Bravo, archbishop of Managua, on 10 August 1980 in Managua--recorded]

[Excerpts] Democracy exists when people can exercise political rights and participate in the state's administration. They should not be used as objects during the electoral process. A democratic regime must see about the people's welfare; if it does not, it is not democratic.

A democratic regime must respect political parties independence and allow them to participate in politics. It should not take advantage of being in power because it can affect the unity and order that should exist in a community. In other words, organizations of all type, local, regional, national have a right to exist and to express and carry out their aspirations.

Democracy consists in coordinating the state's affairs based on the constitution and laws. Those in power must have moral authority to maintain, promote and defend order. They must live up to their responsibilities. They should be fit to carry out their duties and to understand which are the community's needs. They ought to be morally, politically and intellectually capable of doing a good job.

Those in power must bear in mind that they are governing for the people and should do so for the people's benefit. Under a democracy, the people have the right to cooperate with the government and participate in the decisionmaking.

Democracy demands political and moral maturity from the people, who are suppose to make important decisions. Therefore, a democratic regime must educate the people to be free and responsible and not make them just another member of the mass, who does not know what democracy stands for.

Under a democratic system, political parties are very important and necessary. Political parties belong to the people and not to the state. In a democracy there should be at least two political parties.

Political parties have the duty of carrying out programs and activities according to people's aspirations and demands. Instead of stressing partisan attitudes, their views should reflect national issues. Of course, political parties must abide by the constitution and laws.

On the other hand, under a totalitarian regime all these rights are denied to the people. A totalitarian state is one which seizes power to control men, communities and properties. Its demands are unlimited and uses power over reasoning, in order to stay in power and carry out its objectives without consulting the people.

PCD LEADER DISCUSSES CURRENT POLITICAL SITUATION

PA090207 Managua LA PRENSA in Spanish 4 Aug 80 pp 1, 9

[Excerpts] Dr Clemente Guido, Democratic Conservative Party [PCD] coordinator, told us in an interview this weekend: I can see very good political and economic prospects for the nation because of national and international elements which are leading the revolutionary process to legitimate democracy and to avoid being a carbon copy of Marxist-Leninist systems in this continent or elsewhere in the world.

However, I think all future good and bad depends on us Nicaraguans.

[Question] What alternatives do political parties such as yours have within the revolutionary process in view of the Sandinist National Liberation Front's [FSLN] view of all groups not similar to it?

[Answer] If we play a democratic game, the PCD alternatives and hopes are the usual normal ones of an opposition party which has no reason to have the blessing of the ruling front.

But if we fall prey to a totalitarian regime in which only the organizations, bodies or groups which it controls can participate, then not just mine but all the political parties will be left without a chance.

But that, the doctor and politician said, would be lamentable because we would go back to the old way of thinking of the Somoza era that there can be no change by vote but only at gunpoint in Nicaragua.

Elections and their worth as a change factor would be nullified and youth would choose arms and civil war.

[Question] You used a term that interests me very much. You spoke of opposition parties. Don't you think that term could harm your interests and that it could be used by others to call you counterrevolutionaries?

[Answer] Many fear the term counterrevolutionary and consider it taboo and they use other words instead.

The truth is that there are no more than two positions in politics here and everywhere else in the world. You are either in power or in the opposition. Those not in power try to get it, not necessarily to destroy the system in vogue in the nation. That is different.

Therefore one can be in the opposition without trying to undermine the current government system, without being counterrevolutionary.

He would not be a counterrevolutionary who tried to take power away from the front to follow its same revolutionary guidelines. A counterrevolutionary is one who, belonging to the Sandinist Front, opposes the principles of the revolution.

These are different concepts, unavoidable in general politics. Anything else is silly quibbling.

[Question] I surmise from your words that one can be in the opposition from within the revolutionary process.

[Answer] Right. I can be a part of the revolution but in the opposition because I am trying to get to power to advance it or to keep it from going astray.

On the contrary, there can be many counterrevolutionaries in the government who are trying to change the course of the revolution and to stop it.

The term counterrevolutionary has been widely misused and we cannot let ourselves fall into the trap used by Somoza of accusing us of being communists when, for fear of that slur, we tried to change things.

[Question] Clause C of decree No 5 of the law on the maintenance of public security and order, which provides for sentences up to 2 years for thos who, verbally or in

writing, disseminate statements, proclamations or manifestos which go against security, defense of order, dignity of individuals and so forth, has just been reformed. What's your comment on that?

[Answer] That is the kind of artifice that totalitarian regimes use to limit freedom of expression. Because all of this is purely interretative. Who is going to decide the limits for a newsman when he attacks a politician with reason or without reason, with the understanding that he is a public figure subject to criticism?

A politician is exposed to just or unjust attacks, and naturally he must defend himself, but not in such an extreme manner as with imprisonment for so many months or the suspension of the right to exercise the journalistic profession. So all these obstacles being imposed are characteristic of totalitarian countries of both the right and the left.

[Question] The subject of elections has become a public issue. Dr Moises Hassan has said that these will be held when the people want them and in the way the revolution wants them. How valid is that concept?

[Answer] It cannot be that the party that reached power through armed struggle should be the one to decide when something will be held. This government needs to cleanse itself of militarism, or better said, to cleanse its power.

I am going to use a word which perhaps those in the government won't like but which the people will like. It is that the current government has to confirm its power and the only way it can do this is through elections. If, as they say, they have a majority, in their place I would immediately hold elections to legitimize my power because only a popular vote can do this. It can never be done with weapons, bullets, or guns.

[Question] Do you think the FSLN is a political party?

[Answer] Legally it is not yet a party. In fact it is an armed party. What happens is that we are confusing militarism in power with a political party.

The military who reach power never become a party. The Peruvian regime which has just left power never became a party. It established its own laws and that was it. Those who have just assumed power in Bolivia are not a political party.

They are a military regime in power.

[Question] What role does the government junta play?

[Answer] The same role that a screen plays. The political parties essentially have a very small field in which to play and they are playing it. The essential thing is that we don't give up. The day the parties disappear in Nicaragua for one reason or another, we will have a totalitarian regime. God save us from that.

[Question] What do you think of private enterprise on the political scene, since for various reasons they appear to be in the game?

[Answer] Nowhere does private enterprise get involved in politics. Instead, it acts through the organized parties. However, they are now consciously or unconsciously in the game and therefore they are being used by the FSLN to alienate the political groups, because in truth why should the FSLN deal with us if it could do so with those who produce the money?

The FSLN was interested in the country's economic reactivation and not in political reactivation.

'COUNTERREVOLUTIONARIES' ATTACK INRA FACILITIES

PA082258 Managua Radio Sandino in Spanish 1800 GMT 8 Aug 80

[Text] So-called counterrevolutionary armed groups, which last month stole 1,000 head of cattle from a state farm, rustled some cattle again this week. Comdr Jaime Wheelock, agricultural development minister, yesterday reported that the counterrevolutionary bands have attacked state complexes--cattle ranches owned by the Nicaraguan Agrarian Reform Institute [INRA].

Speaking at the INRA facilities in the north, Wheelock said the armed groups' activities affected the complexes in Chinandega, Jinotega and Matagalpa Departments. He added that there was even an attack on Francisco Franco, regional INRA director in Jinotega. Wheelock said the counterrevolutionary groups have received support from Somozists on the other side of the Honduran border.

Today's EL NUEVO DIARIO adds that two groups of men armed with shotguns tried to kill Franco but merely wounded his chauffeur. The Jinotega Sandinist Command reported that it has sent patrols into the mountains to look for the unidentified individuals who are attacking the farms, opening fire on workers, administrators and watchmen at the state complexes.

ANTI-SANDINIST FORCES REPORTEDLY RECEIVE SOMOZA FUNDS

PA111651 Managua Radio Sandino in Spanish 1200 GMT 11 Aug 80

[Excerpts] Somoza, the transnationals and the so-called Democratic Armed Forces [FAD] are the expression of the counterrevolution in Nicaragua. News on the actions of the enemies of our people motivate us to be more on the alert every day. The counterrevolution is trying to block the road to happiness of the people but the revolution is irreversible.

Anastasio Somoza has offered 20 million cordobas for the purchase of weapons. Carlos Garcia, a former baseball manager, has given 17,000 cordobas for the purchase of 7 Fals, 2 Galils and 3 Garands. FAD has been receiving support from transnational companies for the purchase of arms abroad. Miami is one of the centers for plotting against the Sandinist revolution.

This was announced on Saturday when counterrevolutionary members of the so-called FAD and the Anticommunist Armed Forces met.

El Chiguin [Anastasio Somoza's son, Anastasio Somoza Portocarrero] is one of the members of what they call the staff. Their plans included setting free former national guards under arrest in the free zone so that these elements may join counterrevolutionary operations. They were also trying to form an association with the anti-Somoza people's militia.

These activities and the persons who carried them out are neither an invention nor a subjective opinion, as those who falsely claim to act objectively and hide behind a self-styled impartiality want to make appear.

MURDERER OF LITERACY WORKER SENTENCED TO 30 YEARS

PA100320 Buenos Aires LATIN in Spanish 2330 GMT 9 Aug 80

[Text] Managua, 9 Aug (LATIN)--Honduran citizen Pedro Rafael Pavon Ruiz has been sentenced to 30 years in prison for the murder of a young literacy worker. The sentence was issued last night at the end of the first summary trial against perpetrators of crimes against literacy workers in the city of Chinandega, 132 km northwest of here.

Pavon was identified as a member of a counterrevolutionary group which entered Nicaragua from Honduras and killed Gregorio Andrade, who was abducted from his home and taken to a mountainous area and killed after his fingernails were pulled out one by one.

The court was made up of two parents of literacy workers and the judge of the jurisdiction, in accordance with a recently issued law.

It was reported that Pavon was almost lynched by a mob as he was being taken to the court yesterday but the Sandinist police were able to protect him in a building.

TWO SOVIET TECHNICIANS KILLED IN SEPARATE ACCIDENTS

PA120309 Panama City ACAN in Spanish 0138 GMT 12 Aug 80

[Text] Managua, 11 Aug (ACAN-EFE)--Two Soviet citizens, here to provide technical assistance to the Nicaraguan Government, have died tragically in the country between yesterday and today.

Anatoliy Chevurkov, an expert in mines engineering, drowned yesterday at the Poneloya Beach resort on the Pacific coast. Chevurkov was a technical adviser at the state-owned mining center of El Limon, in the Pacific area. Chevurkov was apparently the victim of a strong undertow while he was swimming in the ocean. Two of his companions managed to escape a similar fate. Chevurkov's body was recovered by Red Cross divers from the city of Leon.

From another quarter, the Nicaraguan Fishing Institute today reported that Soviet technician Gniegov Nikolay Andrianovich was killed in a work accident in the Atlantic coastal area. Andrianovich suffered a fall on the boat Korifena which proved fatal. He was involved in oceanografic studies to determine Nicaragua's fishing potential.

The bodies of the two Soviet technicians will be returned to their country on an Aeroflot airplane.

BRIEFS

AMBASSADOR TO BRAZIL--The Nicaraguan Government has announced that Juan Ignacio Gutierrez has been appointed new ambassador to Brazil. [Managua Radio Sandino in Spanish 1800 GMT 5 Aug 80 PA]

NEW POLISH AMBASSADOR--Eugeniusz Ciurus, new Polish ambassador to Nicaragua, yesterday presented his credentials to government junta member Sergio Ramirez at the government house. [Managua BARRICADA in Spanish 5 Aug 80 p 12 PA]

COFFEE RUST DANGER--Managua, 2 Aug (ACAN-EFE)--Jose Angel Buitrago, director of the Nicaraguan Coffee Enterprise, has warned that coffee rust can spread to Guatemala and Honduras. He said this is due to the political and social instability in El Salvador, where it is difficult to control the movement of people who can spread coffee rust. He said that in El Salvador some 20,000 hectares of coffee plants are affected by coffee rust. [Panama City ACAN in Spanish 1755 GMT 2 Aug 80 PA]

HAVANA REPORTS DEPARTURE OF HIJACKED U.S. AIRLINER

FL111259 Havana Domestic Service in Spanish 1100 GMT 11 Aug 80

[Text] A U.S. aircraft of the Air Florida airline, which had been diverted to Cuba, returned yesterday to the U.S. city from which it had departed. The Boeing 737, which was carrying 29 passengers and five crewmembers, was traveling between Miami and Key West when it was diverted from its route.

After the crewmembers and passengers were given all courtesies, they returned to Miami, except for the perpetrator of the diversion who is being held by the Cuban authorities. An investigation is being conducted.

TWENTY MORE LEAVE U.S. INTERESTS OFFICE IN HAVANA

PA120045 Madrid EFE in Spanish 2302 GMT 11 Aug 80

[Text] Havana 11 Aug (EFE)--A group of Cubans made up of 13 men, 5 women and 2 children today left the premises of the U.S. Interests Office in Havana.

With the departure of this group, there are now 170 Cuban citizens remaining of the 384 who entered it on 2 May. During the last 3 days, 111 people have left the U.S. Interests Office.

Men and women are taken to police headquarters, where, apparently, they are identified and sent home. Women and children are processed almost immediately, while men are usually held for more than 24 hours.

Among those who are leaving the U.S. Interests Office, there are some former political prisoners who have requested permission to leave the country, and who have decided to return home, after realizing that nothing will happen to those who turn themselves over to the authorities.

According to diplomatic sources, of the group of 20 that left the interests office today, 14 men and 1 woman are former political prisoners.

HAVANA CITES REASONS FOR CARTER'S DECLINE IN POLLS

FL111809 Havana Domestic Service in Spanish 1700 GMT 11 Aug 80

[Text] The Democratic Party's national convention opens today at New York's Madison Square Garden. It will decide who will be its presidential candidate; it will approve the party's electoral platform, and it will round out the Democrats' strategy for the November elections.

The current resident of the White House, James Carter, and Senator Edward Kennedy are vying for the U.S. Presidential nomination at this Democratic convention. Several U.S. opinion polls show that Carter has lost prestige for several reasons, such as the notable worsening of economic and production recession, an increase of the unemployed to 8.2 million, a drop in the standard of living, augmented inflation and the high crime rate. Other reasons are: the rise in military expenditures, the nonratification with the Soviet Union of the SALT II treaty and the Billygate scandal over the financial machinations and abuses of the president's brother.

The chain of scum that filled many U.S. cities with antisocials, lumpen and counter-revolutionaries and the increase in racial repression are also elements against a re-nomination of the current Yankee president.

CARICOM COUNCIL OF MINISTERS SUSPENDS SUMMIT PLANS

FL110950 Bridgetown ADVOCATE-NEWS in English 2 Aug 80 p 1

[Excerpt] Roseau, Dominica, 1 Aug (CANA)--The Caribbean Community (CARICOM) has decided it would be wiser to halt all efforts for a heads of government conference until after a probe team into the functions of the integration movement submits its report.

A decision to suspend the summit initiatives was taken in Guyana last week at the 17th CARICOM Council of Ministers meeting.

Disclosure was made here today by Dr. Kurleigh King, the secretary-general who flew here from Georgetown, Guyana, for discussions with new Prime Minister Eugenia Charles.

Miss Charles took office a week ago after her Dominica Freedom Party won 17 seats in parliament. She had previously been leader of the opposition.

The team of experts of which Dr. King referred includes Commonwealth Secretary-General Shridath Ramphal, Caribbean Development Bank President William Demas, Nobel Prize winner Sir Authur Lewis, former CARICOM Secretary General Alister McIntyre and other distinguished West Indians.

They are to review the functioning of the integration movement and make recommendations for its improvement in the decade of the 1980s.

Two meetings have been held, in Barbados and Guyana, but work is unlikely to be completed in time for a final report by September this year, the target set when the move was first announced.

Meeting newsmen today after his discussions with Prime Minister Charles, Secretary-General King said it was safe to assume that a summit would not take place this year.

BARBADOS

LORD CARRINGTON OFFERS AID TO FIGHT SUBVERSION

FL111010 Bridgetown Sunday ADVOCATE-NEWS in English 3 Aug 80 p 1

[Text] Britain has offered technical, marine and financial assistance to Barbados and Commonwealth developing Caribbean nations to combat subversion of democratic governments, British Foreign Secretary Lord Carrington said here yesterday.

In a press conference after his talks with the Barbados Government, Lord Carrington said that he did not believe that the security of Barbados and neighbouring Caribbean countries were threatened by external sources.

But there were threats of potential subversion existing in all of the countries to bring down democratically-elected governments.

Lord Carrington said that while the trend of violence sweeping the region had not penetrated the traditional stability of Barbados, one could not divorce security from the economic well-being of the peoples.

And aid had to be linked to such economic prosperity in the relationship between the developed countries and the developing states of the Caribbean.

Noting that Britain was averaging L25 million a year in aid to the region, Lord Carrington said that the developing countries would have to devise ways of amending the present world organisations so that the poor countries would find it easier to get the money badly needed for economic wellbeing. This would in turn lead to stability.

He said that Britain, like the United States, was deeply concerned about the Caribbean as a strategic part of the Western world.

And since Britain still has dependences in the area that have not yet attained their independence, there was even more concern for what is happening in the Caribbean especially at the Cuban connection, Lord Carrington added.

Stressing that Britain wishes to preserve democracies in the Caribbean, he said that his government's policies exercised strict control over which countries its arms go to.

Broadly speaking, British arms are sold only to friends of that government, Lord Carrington added, and those whom Britain wished to encourage to defend themselves.

He was meeting the press in a half-hour conference, 75 minutes after discussions with the Barbados Government. His talks with the government followed a few hours after his afternoon arrival in the island from Brazil.

In his preamble, the foreign secretary said that he could not go into detail on talks which must remain confidential.

But the two sides discussed a wide range of questions, including political developments in the Caribbean, and the security of the area, where Lord Carrington stressed that his country retained important interests.

He said that they also touched on wider international issues and bilateral matters including trade and investment in Barbados.

Nothing had been firmed up on British investment, he said. This section of the trip is being handled by 10 leading British businessmen who form part of the 46-member tour party.

Speaking about the trade between Britain and Barbados which is in Britain's favour, Lord Carrington said that his country places no restrictions on exports from the Caribbean.

He said that besides the imports from Barbados under Lome, Britain was willing to accept other products on reasonable terms.

It is understood that Barbados officials are anxious to narrow the gap since Britain now earns more that Bds $100 million more than Barbados in their trading.

Lord Carrington leaves Barbados this afternoon for Venezuela and then Mexico to complete his Latin American trip that started in Brazil late last month.

JAMAICA

MANLEY DELIVERS INDEPENDENCE DAY MESSAGE

FL110940 Kingston SUNDAY GLEANER in English 3 Aug 80 pp 1, 2

[Text] Prime minister, the Hon. Michael Manley, in his independence message to the nation, has expressed confidence that no malignant or malevolent force, internal or external, could triumph over the Jamaican people.

His message touched briefly on important events in the life of the nation up to today, including the break with the International Monetary Fund, the electoral reform exercise, the crippling effect of the wave of violence on social, economic and political life, the joint peace declaration by both major political parties for an end to election-inspired violence, and the work of the church in this direction.

Mr. Manley said that the most momentous question facing Jamaicans since their ancestors fought off the yoke of slavery was: "Do we dare follow the logic of history and the course that was set by our forbears who shook off slavery and colonialism or do we crawl back into the days of subservience and dependence at home or abroad?"

Text of the message follows: "The past year--our 18th year as an independent nation--has been one of the most eventful in Jamaica's history.

It has been a year which has severely tested our courage and strength as a people.

It has been a year in which we have been buffeted by powerful economic forces both within and outside Jamaica even as political forces within and outside Jamaica has sought to tear us apart.

It has been a year in which our very independence--won eighteen years ago--has been challenged by forces within and outside Jamaica.

It has been a year which has brought us to the most momentous question that Jamaica has faced since our ancestors decided to fight off the yoke of slavery:

Do we dare follow the logic of history and the course that was set by our forebears who shook off slavery and colonialism or do we crawl back into the days of subservience and dependence at home and abroad?

Do we have the nerve and the guts to pay the price of independence so that we may truly enjoy it in the future or do we now surrender what the Jamaican people have fought for and won?

Do we remain in the struggle of those who demand justice for the poor and the dispossessed of the world or do we now back out of that struggle?

These were some of the questions we had to ask ourselves towards the end of our negotiations with the International Monetary Fund in March. We recognised that whatever path we pursued would be strewn with obstacles. There could be no easy path. But we had to choose the path whereby as a nation and a people we would be masters in our own house.

Rough Going

It is now almost a year since we received any foreign exchange support from the I.M.F., and it has been very rough, with the rising oil prices, international interest rates and world inflation.

But we have not suffered the economic calamity we were told to expect in January, then in April, then in May, then in June. And the fact is that apart from the assistance that we have got from friendly countries and the sympathetic understanding and co-operation of our overseas creditors, Jamaica has survived the first stage of the post-I.M.F. economy mainly through the efforts of the Jamaican people.

In particular, the tourism industry, the bauxite and alumina industry and the export sector have earned for Jamaica a great deal more foreign exchange than was estimated. And the nation owes a debt of gratitude to the workers and managements in those sectors whose efforts have provided a lifeline for the economy.

The developments in those sectors, as well as the solid gains that have been made in food production by the farmers of Jamaica, should ensure more securely based forward movement of the economy in the future.

But here we must pause to take note of the effect of violence and its effect on the economic life of the nation. Much of the violence that we have seen in recent times takes its terrible toll not only on human life but also on vital areas of the economy. The most obvious example is tourism, where the tremendous recovery of recent years is not being seriously endangered by the wave of violence, though far removed, in sections of the corporate area.

The Jamaica Council of Churches has given the nation new hope by its relentless efforts to create the conditions for peace. Certain political forces which have been hell-bent on provoking self-destructive tribal strife, tragically affecting a number of the poorer sections of the corporate area, must be stopped before it is too late.

Duty To Be Calm

The joint statement has been made denouncing politically motivated violence, and calling on supporters of the People's National Party and the Jamaica Labour Party to pursue the quest for office by peaceful and non-violent means, and announcing sanctions that would apply to any members found to be involved in politically inspired violence.

It is now the duty of all of us--not only party activists of one side or the other but all peace-loving Jamaicans--to work towards eradicating tribalism and violence from the political life of Jamaica. We must be particularly alert to resist anyone who seeks to provoke situations.

So we all have a clear duty to remain calm: to remain vigilant: not to retaliate against attacks real or imagined: but not to be intimidated. And to co-operate with the security forces in this fight against crime and violence.

The security forces are the only legitimate organised armed forces in Jamaica. They have to work in very difficult situations and they need the support and assistance of all law-abiding citizens. The majority of members of the security forces do their job fairly and impartially, but as with security forces everywhere, their success depends very largely on the co-operation of the public.

For their part, the security forces need to be extremely disciplined at this time and impartial, and to be careful and understanding in their dealings with the public.

Only very recently, the security forces showed their continuing commitment to constitutional authority in their thoroughly professional handling of the attempted coup.

This has helped to ensure that we continue along the democratic path that is the only way that we recognise for the exercise of authority in Jamaica. However, we must continue to be vigilant.

In pursuit of this path, we have put in place a reformed electoral system and have completed a massive voter-enumeration exercise in the most efficient manner imaginable in the fact of some very imposing problems.

Severe Test

As we go about the business of conducting yet another democratic general election, let all Jamaicans of goodwill do everything possible to keep the peace between comrade and laborite, labourite and comrade, and isolate anyone who would seek to kill, maim or terrorise Jamaican people for some alien purpose.

Yes, we have been through 'a year which has severely tested our courage and strength as a people.'

But the courage and strength of the Jamaican people have been established over centuries of struggle through the middle passage and the experiences of slavery and colonialism.

Ours is a country uniquely blessed by nature with beauty and variety and with a supremely talented people. No force on earth--whether malignant forces within or malevolent force outside--can triumph over a people so richly endowed.

What we need is unity and confidence in ourselves, our worth, our capacity to overcome the trial and adversity of the times, and our right to enjoy the independence that was won for us by our forebears over centuries of struggle and sacrifice.

As we face the many problems of the 1980s I have every confidence that we, the Jamaican people, shall overcome."

INTER-AMERICAN AFFAIRS

REGIONAL MINISTERS HOLD FIRST ALADI MEETING

FY120142 Buenos Aires LATIN in Spanish 1919 GMT 11 Aug 80

[By Becker Puig]

[Excerpt] Montevideo, 11 Aug (LATIN)--The ministers that tomorrow will sign the treaty establishing the Latin American Integration Association [Asociacion Latinoamericana de Integracion--ALADI] today held their first meeting in history as members of the supreme body that is in charge of leading the regional political integration process.

The delegations of the 11 Latin American countries that make up ALADI were headed by the foreign ministers of Argentina, Bolivia, Brazil, Colombia, Chile, Paraguay, Peru and Uruguay; the deputy foreign minister of Venezuela; and the commerce ministers of Ecuador and Mexico.

Up on the proposal of Argentine Foreign Minister Carlos Pastor, the ministers appointed by acclamation Uruguayan Foreign Minister Adolfo Folle Martinez as president of the conference and his Colombian colleague, Diego Uribe Vargas, as vice president.

VENEZUELA

UNOFFICIAL SOURCES SEE PROBABLE CABINET RESHUFFLE

PA120332 Caracas Radio Continente Network in Spanish 2100 GMT 11 Aug 80

[Text] President Luis Herrera Campins will reportedly silence all those who have criticized his economic policy by the end of this month. In doing this he would confirm his support of the finance minister and renew his belief that positive results will be attained before too long.

Unofficial sources have stated that the president plans to reshuffle his cabinet. Nevertheless, he has reiterated his confidence in the ministers of finance, development, agriculture [words indistinct] and energy and mines, and in the director of the Office of Coordination and Planning. Foreign Minister Jose Alberto Zambrano will also continue in his post.

MEXICO

LOPEZ PORTILLO MEETS BELIZE'S PRICE, PROMISES SUPPORT

FL111208 Havana Domestic Service in Spanish 1000 GMT 11 Aug 80

[Text] Belize's Prime Minister George Price has visited Mexico and has been given that country's support in the struggle for his country's independence, press sources have announced in Mexico City. Prime Minister Price, who remained 3 days in Mexico, held talks with Mexican President Jose Lopez Portillo and Foreign Secretary Jorge Castaneda.

Commenting on Price's visit, the daily HERALDO DE MEXICO noted that the premier had been assured Mexico's support in the struggle his small country is waging for independence, which the present Guatemalan Government refuses to recognize. The same daily asserted that the premier and British Secretary of State for Foreign and Commonwealth Affairs Lord Carrington had held talks in Mexico City. Carrington, the daily stressed, reaffirmed his statement that his government is willing to grant independence to Belize.